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इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।
Separate paging is given to this Part in order that it may be filed as a separate compilation.

MINISTRY OF COMMERCE

PUBLIC NOTICE

IMPORT TRADE CONTROL

New Delhi, the 3rd July 1967

SUBJECT:—*Import Trade Control Hand Book of Rules and Procedure,* 1967.

No. 57-ITC(PN)/67.—A revised edition of the Import Trade Control Hand Book of Rules and Procedure is issued under this Public Notice. It supersedes the provisions of the Import Trade Control Hand Book of Rules and Procedure, 1966.

2. The words 'stainless steel sheets' occurring in sub-paragraph 35(1)(i)(c) of the Hand Book may be deemed to have been substituted by the words "stainless steel sheets/plates/strips/circles".

3. The last dates for submission of applications for quota licences and for establishment/refixation of quotas by established importers for the period April '67—March '68 have been extended upto 31st July, 1967 and 31st August, 1967 respectively.

P. D. KASBEKAR,
Chief Controller of Imports & Exports.

CHAPTER I

INTRODUCTION

Origin and Development of the Legislation

1. Import Trade Control was first introduced in India as a War-time measure in the early stages of the Second World War. A notification to this effect was issued on May 20, 1940, in exercise of the powers conferred by the Defence of India Rules. The primary object of this measure was to conserve foreign exchange resources for the successful prosecution of War and to make the best possible use of the limited shipping space available. To begin with, the import of only 68 commodities, mainly consumer goods, was subjected to control. Subsequently, with the growth of exchange difficulies, it became necessary to extend the control to other commodities as well. On December 31, 1940, unmanufactured and semi-manufactured steel was brought under Control. On February 15, 1941, the import of machine tools was controlled. On August 23, 1941, most of th remaining commodities, particularly capital goods and other goods required for industrial purposes, were brought within the ambit of Control. In January, 1942, the remaining few items were also subjected to control, thus covering the whole field of imported articles under the system of control. On July 1, 1943, a consolidated notification was issued pertaining to all the controlled items, except machine tools.

2. After the end of the War and the lapse of the Defence of India Rules in September, 1946, Import Trade Control was kept alive by the Emergency Provisions (Continuance) Ordinance, 1946. This was replaced by the Imports and Exports (Control) Act, 1947 (18 of 1947), which came into force on the 25th day of March 1947. The Act was initially valid for a period of three years. Thereafter, it was extended by two successive terms of five years each and one term of six years upto March 31, 1966. It has been further extended by five years upto March 31, 1971, Under this Act, the Central Government issued several notifications which were replaced by a consolidated Order called the Imports (Control) Order No. 17/55 dated December 7, 1955. This Order, as amended from time to time, continues to be in force. The Imports and Exports (Control) Act, 1947, and the Imports (Control) Order 1955, as amended, are reproduced in Appendices (1) and (2) to this book.

3. At present, the Import Control covers practically all articles. Such articles are included in Schedule 1 to the Imports (Control) Order, 1955, and their import is prohibited except under and in accordance with a licence or a customs clearance permit issued under the said Order, or an Open General Licence issued by the Central Government, or if they are covered by any of the 'Savings' mentioned in Clause 11 of the aforesaid Order, Import of gold, silver, currency notes, bank notes and coins is controlled by the Reserve Bank of India under the Foreign Exchange Regulation Act.

Licensing Authorities

4. The office of the Chief Controller of Imports was set up in New Delhi on August 23, 1941. Subsequently, other subordinate licensing offices were also set up.

5. (1) Apart from the Chief Controller of Imports and Exports, New Delhi (Telegraphic address CHIFOONIMPEX), there are the following 15 regional licensing authorities. Their telegraphic address and jurisdiction are given below:—

Licensing authorities and their jurisdiction.	Telegraphic Address
(i) The Joint Chief Controller of Imports and Exports, 4-Esplanade East Calcutta, with jurisdiction over the States of Orissa, Bihar, West Bengal, Tripura and Andaman and Nicobar Islands.	CONIMPEXTRA CALCUTTA
(ii) The Joint Chief Controller of Imports and Exports, Central Govt., Offices New Building, SE Wing, New Marine Lines, Church Gate, Bombay with jurisdiction over the whole of re-organised States of Madhya Pradesh, Maharashtra and Gujarat excluding those districts of Old Bombay State, which were formerly known as Saurashtra and Kutch.	CONIMPEXTRA BOMBAY
(iii) The Joint Chief Controller of Imports and Exports, Customs House, Madras, with jurisdiction over the whole of Madras and Andhra Pradesh except areas which are under the jurisdiction of Controller of Imports and Exports, Visakhapatnam.	CONIMPEXTRA MADRAS
(iv) The Joint Chief Controller of Imports and Exports, Central Licensing Area, Indraprashtha Bhavan, 'A' Wing, New Delhi, with jurisdiction over the whole of Rajasthan, Punjab, Haryana, Delhi and Himachal Pradesh.	CONIMPEXTRA NEW DELHI
(v) The Deputy Chief Controller of Imports and Exports, Ashirvad Building, Panjim, (Goa) with jurisdiction over the former Portuguese possessions in India, namely, Goa, Daman and Diu, and Dadra and Nagar Haveli.	CONIMPEXTRA PANJIM
(vi) The Deputy Chief Controller of Imports and Exports, Ernakulam with jurisdiction over whole of Kerala State and Laccadive, Minicoy and Amindivi Islands.	CONIMPEXTRA ERNAKULAM

(vii) The Deputy Chief Controller of Imports and exports, 112/1-B, Benajhabar. Kanpur-2, with jurisdiction over the whole of Uttar Pradesh.	CONIMPEXTRA
(viii) The Controller of Imports and Exports, Desai Building, Bhupindra Road, New Town Hall, Rajkot with jurisdiction over those districts of Old Bombay State which were formerly known as Saurashtra and now included in Gujarat State.	CONIMPEXTRA RAJKOT
(ix) The Controller of Imports and Exports, P. B. No. 14, Pondicherry, with jurisdiction over former French Establishments in India, namely, Pondicherry, Karaikal, Mahe and Yanam.	CONIMPEXTRA PONDICHERRY
(x) The Controller of Imports and Exports, 7-Port Land Park, Visakhapatnam, with jurisdiction over the following six districts of Andhra Pradesh: Srikakulam, Visakhapatnam, East Godavari, West Godavari, Krishna and Guntur.	CONIMPEXTRA VISAKHA-PATNAM
(xi) The Controller of Imports nad Exports, Syndicate Bank Building, P. B. No. 688, Ghandi Nagar, Bangalore-9, with jurisdiction over the whole of Mysore State.	CONIMPEXTRA BANGALORE
(xii) The Controller of Imports and Exports, C. B. R. Building, Mall Road, Amritsar with jurisdiction for issue of licences to parties who have opted to obtain their licences from him for imports from Afghanistan.	CONIMPEXTRA AMRITSAR
(xiii) The Controller of Imports and Exports, Srinagar, with jurisdiction over the State of Jammu and Kashmir. (Note: During Winter, this Office is shifted to Jammu along with the Secretariat of the Jammu and Kashmir Government).	CONIMPEXTRA SRINAGAR
(xiv) The Assistant Controller of Imports and Exports, Customs House, New Kandla with jurisdiction over those districts of Old Bombay State which were formerly known as Kutch and now included in Gujarat State (including New Kandla Free Trade Zone)	CONIMPEXTRA NEW KANDLA

(xv) The Assistant Controller of Imports and Exports Morele Building, Shillong, with jurisdiction over the State of Assam, NEFA, Manipur and Nagaland. CONIMPEXTRA SHILLONG

(2) The jurisdiction of the licensing authorities for the purpose of licensing under the import policy for registered exporters is given separately in Chapter V of this book.

CHAPTER II

GENERAL LICENSING PROCEDURE

6. The instructions contained in this book will be applicable subject to such amendments as may be made in future and the provisions of the relevant Import Trade Control Policy Book.

7. **Categories of Importers.**—(1) For the purpose of licensing importers are divided into the following broad categories :—

(i) Established Importers,

(ii) Actual Users,

(iii) Importers claiming licences under the policy for registered exporters.

(iv) Others.

(2) The applications for licences are considered in terms of the relevant policy in force.

8. **Application Forms.**—(1) The application for licences are required to be made on prescribed forms.

(2) There are separate forms of application for (i) established importers, (ii) actual users not borne on the registers of the Directorate General of Technical Development including small scale industries, (iii) actual users borne on the registers of the Directorate General of Technical Development, (iv) Public Sector project/undertakings, (v) Capital Goods and Heavy Electrical Plant, (vi) establishment of quotas or revision of quotas by established importers, and (vii) registered exporters. Application forms have also been prescribed for newspaper establishments and for revalidation of import licences. These forms are given in Appendix (3) to this book.

(3) The forms of application can be obtained from all the licensing offices and also from authorised dealers in Government publications on payment of 12P per form. If the forms are not readily available, the applicants can use their own typed, cyclostyled or printed copies of the prescribed forms. The application forms prescribed for actual users other than those borne on the books of the DGTD, may also be available from the offices of the State Directors of Industries.

(4) An applicant should submit one or more copies of the application as required under the rules or indicated in the prescribed application form.

9. **Persons authorised to sign applications.**—(1) Application for an import licence should be signed by a person duly authorised by the applicant. The position/authority held by the person signing the application should be clearly stated in the application.

(2) An application which is not duly signed by a person authorised to sign it on behalf of the applicant will be liable to be summarily rejected.

10. **Application Fees.**—(1) An application for import licence should be accompanied by a fee in accordance with the scale prescribed in Schedule III to the Imports (Control) Order, 1955, dated the 7th December,

1955, reproduced in Appendix (2) to this book. The scale of application fees has been revised with effect from the 1st April, 1967, and the revised scale is applicable to all import applications, whether made on annual basis or others. (Appendix '2' contains the revised scale of fees).

(2) An application for additional licence or replacement licence should also be accompanied by a fee in accordance with the prescribed scale.

(3) In respect of subsidiary licences, or duplicate licences, a fee of Rs. 5/- will be charged for each licence.

(4) In the case of 'second' appeal preferred to the Chief Controller of Imports and Exports, New Delhi against the order of a licensing authority, a fee of Rs. 5/- is required to be paid.

(5) Fee should be deposited, in cash, at any Government Treasury or office of the State Bank of India or the Reserve Bank of India, transacting the business of the Central Government, for credit to the Central Government under a separate head 'XXXII Miscellaneous, Social and Developmental Organizations.' The treasury or bank receipt must show the name of the department *viz.* 'Import and Export Trade Control Organisation', and particulars of the application for the grant of import licence, namely, description of goods for which the licence is applied for, with their value, and the licensing period, in the column: 'full particulars' in the Challan form T.R. 6, and must be attached to the application before submitting the same to the proper authority, and the application also must contain details of the treasury receipt under which the requisite fee has been deposited.

(6) In case where an applicant has lost the original treasury/bank receipt or challan, the licensing authority may accept a certificate from the treasury office/bank/Accountant General Commerce, Works and Miscellaneous, New Delhi in support of the amount having been deposited. In such a case, the applicant should also file an affidavit on a stamped paper to the effect that the treasury/bank receipt/challan in question has been lost and has not been utilised in obtaining or applying for a licence or for claiming a refund or in any other manner and that, if found subsequently, it shall be returned to the licensing authority concerned for record and will not be utilised in any manner. The particulars of the treasury/bank receipt/challan namely, the licensing period, the amount and description of goods etc. should also be stated in the affidavit.

11. **Exemption from payment of Fees.**—(1) Exemption has been granted from payment of fees on applications for licences in certain cases in terms of Clause 4 of the Imports (Control) Order, 1955, dated the 7th December, 1955. Also, according to the Table in Schedule III to the said Imports (Control) Order, no fees shall be leviable on an application where the goods sought to be imported are required for the personal use of the applicant for purposes not connected with trade or manufacture, irrespective of the value of such goods. This exemption is not, however, applicable to the import of cars and other vehicles.

(2) Newspaper establishments applying for import of newsprint for a value covering a quantity of not more than 40 tons have also been exempted from payment of application fees.

(3) No fees shall be payable in respect of an application made by a State or Central Government or any Department or Office of State or Central Government, or local authority, or an educational or charitable institution importing goods for its own consumption, even if the import is made through another agency under a letter of authority.

(4) If any applicant belongs to any of the aforesaid exempted categories, he should say so clearly in his application for licence.

(5) No application fee will be charged in cases where the import of any item has been canalised through a recognised agency and the actual users or others are allowed to obtain allotments of such goods directly from such agency without making an application to the licensing authority concerned.

12. **Refund of application Fees.**—(1) The application fee once received is not refundable except in the circumstances specified in Clause 4 of the Imports (Control) Order, 1955, dated the 7th December, 1955.

(2) An application for refund of fee will be entertained by the licensing authority within whose jurisdiction the fee was paid. While making the application for refund, the applicant should send the original treasury/bank receipt or challan pertaining to the fee sought to be refunded. In case the original receipt/challan has been sent with the application for licence, the number and date of the receipt/challan and the name of the treasury/bank where fee was deposited, should be given. The applicant should also furnish the following particulars in respect of the application for import licence, if any, made or desired to be made, for which the amount of fee sought to be refunded, was deposited:—

(a) description and value of goods;

(b) I.T.C. classification of the goods;

(c) category of licence; (AU/EI/CG etc.)

(d) name of the licensing authority;

(e) licensing period;

(f) name of the sponsoring authority if the application has been or was required to be submitted through any such authority; and

(g) reference number and date of the last communication received from the licensing authority.

(3) The applicant should also state clearly the reasons for claiming refund of the application fee. Moreover, where an application for refund is not made within a reasonable time, the delay should be explained by the applicant. It may be clarified that no application for refund of fee is entertainable if made after the expiry of 3 years from the date when the right to have the refund of the fee accrues.

(4) The licensing authority may also call for any information or details from the applicant for considering his claim for refund.

(5) In a case where the applicant has lost the original treasury/bank receipt or challan, the licensing authority may accept a certificate from the Treasury office/bank/Accountant General, Commerce, Works and Miscellaneous, New Delhi, in support of the amount having been deposited. In such a case, the applicant should also file an affidavit on a stamped paper

to the effect that the treasury/bank receipt or challan in question has been lost and no refund of the amount thereof has been separately claimed or obtained or will be claimed and that the treasury/bank receipt or challan, if found subsequently, will be returned to the licensing authority concerned and will not be utilised in obtaining or applying for a licence or in any other manner. The particulars of the treasury/bank receipt or challan, namely, the amount and the description of goods etc. should also be stated in the affidavit.

(6) The refund order issued to an applicant will be valid for a period of 3 months only in accordance with Rule 403-A of the Central Treasury Rules (Vol. I). Requests for revalidation may be considered on merits, for a period not exceeding 9 months from the date of expiry of the refund order.

13. **Income-tax verification.**—(1) Subject to the exceptions made in these provisions, all applicants for import licences (including those from the former French or Portuguese possessions in India) are required to obtain Income-tax Verification Certificate Registration/Exemption Number from the appropriate licensing authority, and to quote that number in their applications for licences.

(2) Where the import of any goods has been canalised through a recognised agency and the actual users or others are required to obtain allotments of imported goods through such an agency, the applications for such allotments should also be supported by valid I.V.C. Registration/Exemption Number.

(3) The procedure for allotment of Income-tax Verification Certificate Registration/Exemption Numbers (I.V.C. No.) is set out in Appendix (4) to this book. It is not necessary for an applicant to obtain separate I.V.C. Registration/Exemption Number from each licensing authority; and the Number allotted by any one of the licensing authorities will be accepted by all the licensing authorities.

(4) The I.V.C. Registration/Exemption Number allotted against a complete Income-tax Verification Certificate will be valid for the financial year in which the certificate is issued and for the subsequent two successive financial years.

(5) Applicants in whose cases the production of I.V.C. Registration/Exemption Number, has been dispensed with, are categorised in the Appendix referred to in sub-para (3) above.

(6) In the absence of a valid I.V.C. Registration/Exemption Number, where required, the applicant will be given a specified time to produce it, failing which the application will be liable for rejection. Applicants should, therefore, take steps to obtain their I.V.C. Registration/Exemption Numbers in good time so as to able to quote the same in their applications for licences. However in cases of genuine difficulty, the licensing authority may dispose of the application for licence from an actual user or established importer in anticipation of the production of valid I.V.C. Registration/Exemption Number and issue the licence, if otherwise admissible, advising the applicant to produce the required number before the end of the relevant licensing period or within such time as may be specified. This facility will not, however, be available to an applicant in two successive licensing periods.

14. **Classification of Stores.**—The Schedule I to the Imports (Control) Order, 1955, reproduced in Appendix (2) to this book, commonly known as the I.T.C. Schedule, contains the classification of all the articles that enter into the import trade. The Schedule is divided into six parts and broadly covers the following classes of goods:—

Part I.—Iron and Steel and non-ferrous metals and manufactures thereof.

Part II.—

(i) Metals and manufactures thereof, other than those covered by parts I, IV, V and VI of the I.T.C. Schedule.

(ii) Machinery, spares, and mill stores required for certain industries like jute, tea, iron and steel, electric supply undertakings, mines and quarries.

(iii) Engineering Stores, such as ball bearings, small hand tools, precision and measuring tools, abrasives and belting.

(iv) Certain types of electrical instruments, apparatus and appliances, electric control and transmission gear, electric fans and earthenware/porcelain used in electrical items and installations.

(v) Transport materials.

Part III.—

(i) Certain chemicals and auxiliaries used in the textile industry other than jute and hemp.

(ii) Coal tar dyes and derivatives.

(iii) Raw Cotton.

(iv) Textile machinery and parts and mills stores for the textile industries other than jute and hemp.

Part IV.—Consumer goods.

Part V.—Industrial requirements such as certain classes of machinery, chemicals, manures, paints and colours and printers materials, printing and lithographic materials, agricultural implements and instruments and apparatus and appliances, plastic materials and manufactures.

Part VI.—Machine tools.

15. **Co-relation between I.T.C. and I.C.T. classification.**—An attempt has been made to co-relate, as far as possible, the I.T.C. Schedule (except Part VI) with the Indian Customs Tariff. A constant review is undertaken to ensure that whenever there are changes in the I.T.C. or I.C.T. classifications, such changes are co-related.

16. **Correct classification to be ascertained before making any application for licence.**—(1) An intending importer should ascertain the correct I.T.C. classification of the goods he intends to import (with reference to serial or sub-serial number and part of the I.T.C. Schedule) so that he may be able to apply to the proper licensing authority for a licence and to know exactly the licensing policy in respect of the articles for which he is applying. If an article is incorrectly classified by an importer, there is a possibility of the application for licence being diverted to a wrong licensing authority or of its being rejected. The importers should, therefore, in their own interest, make sure of the correct classification of the articles for which they are applying.

(2) An importer should also give the fullest description of the articles applied for so that any mistakes in the I.T.C. classification can be corrected while issuing a licence. Moreover, if an article is correctly described in the import licence, even if the I.T.C. classification shown against that item is not correct, the importer is not likely to experience difficulty in the clearance of goods on arrival.

17. **Procedure for ascertaining correct classification.**—(1) An exhaustive alphabetical index of articles is attached to Import Trade Control Policy Book issued from time to time; and this will enable the importer to ascertain the correct I.T.C. classification of any particular article. If an importer is in doubt in regard to the correct classification of any article, he should make a reference to the appropriate regional licensing authority for clarification and advice in the first instance. To enable such authority to take a correct view in the matter, the importer should give the fullest description of the article in question and its end-use. He should also send illustrative literature about that article and the sample thereof wherever possible. If the tariff item under which the article is assessed to duty by the Customs is known, it should also be indicated. The I.T.C. authorities will attend to such enquiries on an urgent basis.

(2) Where the regional licensing authority is not in a position to determine the correct I.T.C. classification of an article or where there is a difference between one regional authority and the other in regard to such classification, the matter is referred to the Chief Controller of Imports and Exports, New Delhi. Such references are resolved by a Committee in the Office of the Chief Controller of Imports and Exports, New Delhi where the Directorate General of Technical Development and the Central Board of Excise and Customs are also represented. The decisions taken in the Office of the Chief Controller of Imports and Exports, in regard to the I.T.C. classification are announced by means of Public Notices wherever necessary. Such decisions are also incorporated in the alphabetical index attached to the Import Trade Control Policy Book.

18. **Currency Areas.**—(1) Previously, the countries of the world were divided into two major groups (i) the Dollar Area and (ii) the Soft Currency Area, for licensing purposes. The distinction between Dollar and Soft Currency areas was removed from the licensing period April, 1961—September, 1961.

(2) Import licences of the following two types are now issued:—

(i) "General Area licences" which are valid for import from all countries; and

(ii) "Specific licences" such as licences issued under Capital Goods and H.E.P. Schemes, licences issued for import from rupee payment area etc., which are valid for import from specified country or countries.

No licence is valid for import from South Africa/South West Africa. (General Area includes all countries except South Africa/South West Africa). Import licences are also not valid for import from Rhodesia *vide* Government of India, Ministry of Commerce Order No. 9/65 dated the 17th November 1965, and from Tibet-region of China *vide* Ministry of Commerce Order No. 50/3742 dated 17th December, 1962.

19. **Licensing Period.**—Previously, the import policy was published, on half-yearly basis. But, with effect from the financial year April 1962—March 1963, the Import Trade Control Policy Book (Red Book) contains the policy for a whole financial year.

20. **Import Policy.**—The import policy is announced on the eve of each financial year by means of a Public Notice which is issued in the form of a book called the Import Trade Control Policy Book, commonly known as the "Red Book", which is a priced publication and is available for sale with the licensing authorities at the ports and the Manager of Publications, Delhi, and other authorised dealers in Government publications. Any important changes in policy that may become necessary in the mid-term of the financial year, are separately notified by means of Public Notice.

21. **Licensing Authorities.**—(1) Names of the licensing authorities and their jurisdiction are given in para 5 of this book.

(2) Unless otherwise provided, an application for import licence in respect of an item should be made to the licensing authority as shown in the relevant Import Trade Control Policy Book. Where the Licensing authority is shown as port or regional licensing authority, the applicant should apply to the particular licensing authority under whose jurisdiction his business is established; but, in the case of an Actual User, the determining factor for this purpose is the location of the factory and not of the management, and the actual user should apply to the licensing authority within whose jurisdiction his factory is located. However, in cases where any specific licensing authority has been shown against any item, as for example, Bombay, Calcutta, etc., all the applications for that item should be made to that authority irrespective of the jurisdiction of any other licensing authority in relation to the location of the applicant's business or factory unless otherwise provided.

(3) The actual users should submit their applications for import licences to the licensing authorities as indicated for each category of actual users in Chapter IV of this book through the sponsoring authority concerned unless otherwise provided. Where an actual user has got factories and organisations at different places falling under the jurisdiction of different licensing authorities or one licensing authority, he should submit separate applications for each unit to the licensing authority concerned through the sponsoring authority.

However, in case of scheduled units borne on the registers of DGTD, the actual users having factories or organisations at different places, the head office may submit a consolidated application covering the requirements in respect of raw materials, components and spare parts of all the factories and organizations in respect of the same end-product, to the CCI & E through the DGTD. The requirements of each factory or unit may be separately enumerated in a list to be appended to such application. On such consolidated application, the licensing authority will issue separate licences in respect of each factory/unit in terms of the policy in force if admissible.

(4) Where an established importer has more than one office in India, the location of the branch or office in whose name the quota certificate stands will determine the licensing authority to whom the application for licence should be made. Thus in the case of an established importer having offices in Delhi and Calcutta, if the quota certificate is in the name of Delhi office, the application should be addressed to the Joint Chief Controller of Imports and Exports, Central Licensing Area, New Delhi. The same principle will apply where different branches of an established importer have been functioning as separate entities and having their own quota certificates. A branch situated in the jurisdiction of Joint Chief Controller of Imports and Exports, Bombay will apply to him for licences against all its imports through different ports, while the branch situated in the jurisdiction of, say, Joint Chief Controller of Imports and Exports, Calcutta, will similarly apply to him on the basis of its total imports. The head office or branch of an established importer may, however, make a consolidated application for import licence on the basis of import standing in the name of the head office and all its branches. Such application should be accompanied with a certificate to the effect that all the other branches have not made and will not make any application for import licence for the same period and the same item to any other licensing authority. In this connection, attention is also invited to the provisions of para 46 of Chapter III regarding the selection of common basis year by the head office and all its branches.

22. **Licensing authority in respect of Iron and Steel Items.**—The Iron and Steel Controller, Calcutta, Deputy Iron and Steel Controller, Bombay, the Assistant Iron and Steel Controller, Madras, the Assistant Iron and Steel Controller, New Delhi and the Officer on Special Duty in the Ministry of Steel, Mines and Metals, Department of Iron and Steel) are the licensing authorities for certain controlled items of Iron and Steel, falling in part 1 of the I.T.C. Schedule.

23. **One application for each commodity in one licensing period**—(1) An applicant should make only one application in a licensing period, in respect of goods falling under the same serial or sub-serial number of the I.T.C. Schedule except in the following cases or where otherwise provided :—

(a) machinery items where more than one application becomes necessary for unavoidable reasons.

(b) raw materials required by actual users.

(2) In cases where more than one application is submitted for items falling under the same serial or sub-serial number of the I.T.C. Schedule, applicants should furnish detailed reasons for doing so. Cross reference of the previous application should distinctly and invariably be made in the relevant columns of the application. Any omission or breach of this rule will render the applicant liable to be debarred from receiving licences, without prejudice to any other action that may be taken against him under the Imports and Exports (Control) Act, 1947 or the Order issued thereunder.

24. **Registration of licences at ports.**—(1) The applicants should invariably indicate in their applications for import licences, the particular port where they intend to register the licence, if issued, with the customs

authorities. In their own interest, for expeditious clearance, the applicant should indicate such port of registration at which they intend to import the goods. The licensing authority concerned will indicate in the licence the port of registration by an endorsement made thereon. The importers should register the licence with the customs authorities at the specified port only, although, as hitherto, it will continue to be valid for import at all ports of India, except where specifically provided otherwise in the licence.

(2) If the licence holder, after registering his licence at the specified port, wants to import goods at a port other than the port of registration, he should obtain a release advice from the port of registration to the port of importation of goods. The licensing authority may also entertain requests for amendment in regard to the port of registration in cases where the licence has not been registered or where the licence has been registered but the goods have not arrived. Such amendments, where made, will be duly intimated to the Customs authority at the port of registration originally indicated in the licence.

(3) Where an import licence is presented for clearance of goods at a Customs House other than the one at which the licence is registered, the customs authorities at the port of clearance will allow clearance on the basis of the 'release' advice issued by the customs authorities at the port of registration, if the import is otherwise in order. In such cases the import licence will be debited by the customs authorities at the port of registration at the time of issuing the 'release' advice; and the customs authorities at the port of clearance will debit the 'release' advice.

25. **Last date for submission of applications.**—(1) The last dates for submission of applications for licences are indicated in the relevant Import Trade Control Policy Book. Applicants are advised in their own interest to submit applications well in advance of the last date so as to reach the licensing authority or the sponsoring authority concerned, as the case may be, before the last date as an application received after the prescribed last date is liable to be summarily rejected.

(2) However, in case, the prescribed last date falls on a public holiday or a bank holiday, applications, complete in all respect, received on the following working day will be deemed to have been received by the last date.

26. **Important hints to importers.**—(i) The application for licence should be made in the prescribed form.

(ii) The application form should be filled neatly and accurately. No column should be left blank. The words "yes" or "no" or "not applicable" can be used against the Columns in the application form wherever necessary. If the applicant is not able to give answer to any particular column, he should give a positive reason for the same.

(iii) The information in the prescribed form should be given faithfully and correctly.

(iv) The description and I.T.C. classification of the goods should be given fully and correctly in the application form.

(v) The treasury/bank receipt showing payment of application fee on the value applied for should be attached to the application.

(vi) The I.V.C. No should be quoted in the application where necessary.

(vii) All the required documents should be attached to the application and all the enclosures to the application should be detailed in the covering letter of the application giving particulars of each document.

(viii) The application should be signed by an authorised person who should give his address and the position held by him.

(ix) Separate applications should be submitted for articles falling under a serial or a sub-serial number of the I.T.C. Schedule, except where otherwise provided.

(x) The postal address of the applicant should be given completely and neatly.

(xi) The correct reference number, if any, of the licensing authority should be quoted.

(xii) The application should be sent by post to the appropriate licensing authority or sponsoring authority concerned as provided in the procedure, or delivered at the counter in the office of the licensing authority or the sponsoring authority as the case may be before the last prescribed date.

(xiii) The actual users borne on the registers of Director-General Technical Development should also quote in their applications the code number allotted to them by the DGTD. If no code number has been alloted, the words "not allotted" should be written against the appropriate column at the top of the prescribed application form.

(xiv) The actual user should submit a consolidated application covering the requirements of unit in respect of raw materials, components and spare parts including spare parts of machine tools as provided in Chapter (IV) of this book.

(xv) All actual users should submit their applications through the sponsoring authority concerned wherever necessary.

(xvi) While furnishing the lists of goods sought to be imported, the applicants should ensure that the lists are prepared on a good and durable paper in order to avoid probable inconvenience at the time of clearance of goods at the Customs. In the case of units borne on the books of the DGTD, the applicants should ensure that the extra copies of the list of goods prepared by them for submission to the licensing authority are strictly in accordance with the list cleared by the DGTD.

(xvii) On receiving an import licence the licensee should carefully check whether the licence received by him is complete in all respects. In particular, the licensee should check whether:—

(a) The licence is accompanied by the list of items permitted for import, if such list has been referred to in the body of the licence.

(b) Each page of the list has been duly signed by the licensing authority.

(c) Each page of the list bears the security seal affixed by the licensing authority.

(d) The changes, if any, made in the list have been duly attested by the licensing authority.

(e) Both the copies of the licence bear the security seal affixed by the licensing authority.

(f) The conditions imposed on the licence have been duly signed by the licensing authority.

(g) The condition, if any, deleted from the licence has been attested by the licensing authority.

(h) In the case of licences issued against foreign credits, the conditions, applicable to the credit have been attached to the licence if there is a reference to such attachment in the body of the licence and such conditions have been duly signed by the licensing authority.

(i) Every signature of the licensing authority appearing on the licence, or on the list attached to the licence, or on the conditions attached to the licence, has been duly authenticated by a security seal affixed above the signature.

(j) There is any omission in the licence which prevents the licensee from operating upon the licence.

If the licensee finds that the licence is deficient in any respect, he should immediately bring the matter to the notice of the licensing authority concerned and return the licence to the licensing authority for the needful.

CHAPTER III

ESTABLISHED IMPORTERS

27. **Definition.**—(1) Established importers are those who have been actually engaged in the import trade of the articles comprised in any serial or sub-serial number, of the I.T.C. Schedule during at least one financial year (1st April to 31st March) falling within the basic period specified the said serial or sub-serial number. The importers may choose the most favourable year from the basic period for the purpose of obtaining quota certificates.

(2) An established importer may be (i) an individual, (ii) a partnership firm,(iii) a karta of a Hindu undivided family in respect of the family business, (iv) a limited company and (v) any association or body of individuals.

28. **Basic period.**—(1) The basic period for the purpose of calculating the quota of established importers, which was in force upto April 1966—March 1967 period, has been changed. With effect from April 1967—March 1968, the basic period will be from 1st April 1961 to 31st March 1966, for all items.

(2) No application for fixation/re-establishment of quotas will be accepted in respect of past imports in any financial year prior to 1st April, 1961. However, quotas already fixed in respect of imports during the period from 1937-38 to 1944-45, from 1945-46 to 1950-51 and from 1951-52 to 1960-61, will continue to be accepted for the grant of quota licences until further notice.

29. **Quota certificates on Security forms.**—(1) A quota certificate as referred to in para 27 above is issued by a licensing authority to an established importer in token of acceptance of his past imports of a particular commodity falling under a serial or a sub-serial number of the I.T.C. Schedule, in a financial year selected by him within the specified basic period. All quota certificates are issued on security form, a specimen of which is given in Appendix (6). Import licences are granted to established importers on the basis of valid quota certificates.

(2) The application for establishment/refixation of quota should be made to the regional licensing authority concerned. Even in respect of items licensable to established importers by the Head-quarters Office of the Chief Controller of Imports and Exports, the applications for establishment/refixation of Quota Certificates have to be made to the regional licensing authority in whose jurisdiction the business of the applicant is established.

(3) After the grant of the quota certificate, if the licensing authority has got any doubt, he may call for the original documents to recheck the applicant's past imports and on verification the quota certificate may be amended, reduced in value or cancelled. Quota certificate will also be liable to cancellation or amendment or reduction in value if it has been

granted by inadvertence or by mistake or contrary to rules or has been obtained by fraud or misrepresentation.

30. **Documents to be furnished for fixation or refixation of quotas.**— (1) A quota certificate is issued on the basis of the following documents:—

(i) (a) The triplicate copy of the Customs Bill of Entry for home consumption, (b) In the case of goods bonded on arrival, a copy of original 'into bond' Bill of Entry certified by the customs authorities, (c) In the case of duty-free goods, the Exchange Control copy of the Bill of Entry.

(ii) Invoice pertaining to the goods imported;

(iii) Bank memo, Bank draft or other evidence of payment, and particulars of licences, etc., against which the imports were made.

N.B.—(a) In the case of duty-free goods, if the importer is unable to produce Exchange Control copy of the Bill of Entry on the ground that it had been retained by the Reserve Bank of India, the triplicate copy of the Bill of Entry, or the certified copy of the Bill of Entry will be accepted.

(b) In the case of goods bonded on arrival, if the importer is unable to produce 'into bond' Bill of Entry for valid reasons to the satisfaction of the licensing authority and where the importer is able to produce evidence that no transfer of ownership of goods took place while the goods were 'in bond' the licensing authority may accept the 'Ex-bond' Bill of Entry in lieu of 'into bond' Bill of Entry, *provided the importer files an* affidavit :—

(1) that for reasons stated in the affidavit, he is not able to furnish the 'into bond' Bill of Entry;

(2) that no transfer of ownership of the goods took place when the goods were in bond;

(3) that no quota has been or will be claimed against the 'into bond' Bill of Entry for the same goods from any licensing authority.

In such cases, the date of original bond when the goods were first entered into bond will be reckoned as the date of importation for the purpose of calculation of quota and not the date given in the 'Ex-bond' Bill of Entry.

(c) if, for valid reasons, an importer is unable to produce the customs copy of the Bill of Entry where such copy is required to be produced, but produces the Exchange Control Copy thereof or a true copy of the Bill of Entry certified by customs authorities, the case may be considered on merits by the licensing authority after the importer concerned files an affidavit in the form given in Appendix (7) to this book.

(iv) In the case of imports made by post, the Postal Declaration Form or Customs Duty Receipt with relevant invoice, Bank draft and the particulars of licence etc. against which the import was made, should be produced.

N.B.—(a) If an importer is unable to produce Postal Declaration Form or Customs Duty Receipt, then the documents namely, Bill of Exchange, Bankers' Memorandum of payment and the relevant invoice duly attested by a Customs Appraiser, will be accepted in lieu.

(b) In cases where the importers are unable to produce the required evidence for proving past imports made by post certificates of postal imports giving the description of goods contained in the parcel and the duty paid by the importer, issued by the Assistant Collector of Customs, Postal Appraisement, will also be accepted in lieu of the prescribed evidence; provided the importer files an affidavit to the effect that he has not claimed a quota previously on the basis of the postal way bills, memoranda of payment and relative invoices etc. in respect of the same goods nor will he do so in future. The licensing authority will consider the application if it is satisfied on the basis of the evidence produced that the imports were actually made within the basic period and that payment was actually made for the goods.

(v) In the case of imports from Pakistan Land Customs Appendices supported by corresponding invoices, and Solas (Bank memos) and any other satisfactory evidence of payment for the imported goods, will be accepted.

(2) Apart from the original documents of past imports as prescribed, the application for establishment/re-fixation of quota should also be accompanied by certified or photostat copies of all the documents of past imports. Where an applicant is not readily in a position to furnish the certified copies or photostat copies of all the documents with his application for quota certificate, the licensing authority may issue the quota certificate provisionally valid for one period only subject to the production of certified or photostat copies of the original documents of past imports to the licensing authority concerned. Such provisional quota certificate will bear the following endorsement :—

"Provisional for one period only and subject to regularisation on furnishing the certified copies or photostat copies of all the documents of past imports to the licensing authority".

On production of the copies of documents of past imports, the above endorsement will be deleted.

31. **Basic Imports.**—(1) Subject to the provisions of sub-para (2) below, the licensing authority will, on the basis of the above documents, determine the 'basic imports' of the applicant, i.e., the c.i.f. value of his imports of goods falling under the same serial number or sub-serial number from the General Area/Pakistan in a common completed financial year selected by the importer within the prescribed basic period. The licensing authority will then issue a quota certificate on security form for the value as determined.

Provided that in the case of a Serial No. or Sub-Serial No. for which two separate quota licences could be issued during October 1960—March 1961 licensing period on former General Area or former Soft Currency Area in respect of past imports falling in different basic years from the former

Dollar and Soft Currency Areas respectively, the parties holding such two quota certificates will be allowed to retain such quota certificates until further notice.

(2) Quota Certificates are issued on the basis of past imports from all countries included in the General Area other than Pakistan, Afghanistan, Nepal, Tibet, Bhutan and former Protuguese or French possessions on India. But the importer will be entitled to an additional quota certificate on Pakistan on the basis of his imports from Pakistan only; provided the basic year for these imports is the same as the one on the basis of which the importer has obtained his quota certificate on General Area.

32. **Issue of separate quota certificate in respect of past imports from Pakistan.**—The quota certificate in respect of past imports from Pakistan, as stated in para. (31) above, will be issued to an importer on the basis of original documents indicated in para. (30) above. It is essential that the importers should obtain their quota certificates on the basis of their imports from Pakistan simultaneously with their quota certificates on General Area. Similarly they should, while applying for re-fixation of quotas on the General Area, invariably submit their quota certificates on Pakistan along with their old quota certificates on soft currency area/dollar area.

33. **Imports which will not be counted as basic imports.**—The following categories of imports will not be taken into account in calculating the importer's quota :—

(a) Imports made in contravention of the import trade control rules and regulations.

(b) Imports made without a valid licence and cleared under a warning.

(c) Imports made in excess of the value of the licence and allowed to be cleared by the customs authorities on payment of fine/penalty. Only such excess will not qualify for quota fixation.

(d) Imports made by the applicant under a letter of authority authorising him to import goods against a licence granted to another party.

(e) Imports made under licences granted against the orders of the late D.G. (I. & S.) (now D.G.S. & D.) or of the State Railways.

(f) Imports made under licences granted to actual users in respect of raw materials or accessories or other articles.

(g) Imports made under ad-hoc licences (other than those ad-hoc licences which were issued for imports of goods for stock and sale purposes only) or licences granted subject to the express condition that imports thereunder will not be taken into account in calculating quotas whether the licences are marked N.Q.Q. or not.

(h) Imports made against C.G. & H.E.P. licences by actual users or other imports against orders from actual users. However, imports made against C.G. & H.E.P. licences for stock and sale purposes will be taken into account for purposes of calculation of quota only in respect of S. No. 36/II, S. No. 4/III and S. No. 65/V of the I.T.C. Schedule.

(i) Imports of goods of no commercial value made under O.G.L. IV.

(j) Imports made against licences granted under the export promotion schemes, avocation schemes or under the import policy for registered exporters.

(k) Imports made against "replacement licences".

(l) Imports of casual nature *e.g.*, imports for personal use or imports as samples.

(m) Imports of equipments against licences issued under the Irrigation Projects Licensing Scheme.

(n) Imports made under licences issued through inadvertence or mistake or contrary to rules or provisions of Imports (Control) Order. 1955, or obtained by fraud or misrepresentation, subsequently detected.

(o) Imports made by an actual user under O.G.L. or otherwise of goods which were used by the actual user in his own factory/establishment.

(p) Licences issued against specific orders from actual users.

(q) Goods which are not cleared for home consumption.

34. **Imports allowed under warning by Customs-Acceptance for fixation of quota.**—In some cases, goods, might have been imported under a licence, but the customs authorities may find some discrepancy in the goods and the imports may not be exactly covered by the licence held by the importer. Again there may be cases where the goods are allowed to be cleared on the basis of wrong advice regarding classification given by the I.T.C. authorities or the customs houses. In cases of this nature, the custom warn the importer and may permit the clearance of goods. Such imports, though allowed to be cleared after issue of a warning by the customs, will qualify for quota fixation. However, the quota will be fixed only under the correct I.T.C. classification of the goods, if otherwise admissible.

35. **Determination of the date of import in connection with past Imports.**—In determining whether a particular import falls in any particular financial year for the purpose of fixation/refixation of quota, the following dates will be reckoned to be the dates of importation:—

(a) In the case of goods cleared for home consumption, the date given in the oval stamp affixed on the relevant Bill of Entry;

(b) In the case of duty free goods cleared for home consumption, the date of the Import Duty Free Number (I.D.F. number);

(c) In the case of goods bonded on arrival and subsequently cleared from bond for home consumption, the date on which the goods were bonded by customs;

(d) In the case of post parcels, the date assigned to the way bill by the post office.

(e) In the case of imports by land route, the date on which custom duty is recovered by the customs authorities; in the case of duty-free goods imported by land route, the date on which the land customs appendices are passed by the customs for clearance of the goods for home consumption.

36. **Procedure for quota fixation in case of change in the classification of items.**—In cases where classification of an item of article changes from one serial number of the I.T.C. Schedule to another, the licensing authority will take into account the past imports of such item or article for establishment/re-fixation or recalculation of quota under the new serial number. In doing so, it will be ensured that:—

(i) The importer's quota under the old serial number is correspondingly reduced and his quota certificate duly amended; and

(ii) Only such past imports are taken into account for the purpose of re-fixation re-calculation of quota as are in respect of the same basic year as the importer's original quota certificate for the new serial number in question.

37. **Procedure for submission of applications for establishment of quotas.**—(1) Applications for establishment or refixation of quotas should be made in the prescribed form given in the Import Trade Control Policy Book (Form 'F'), and should be accompanied by:—

(i) the previous quota certificate, wherever it is sought to be revised;

(ii) a certified copy of the import licence, if any, received for the previous licensing period;

(iii) A statement of basic year's imports in the form prescribed in the relevant Import Trade Control Policy Book, supported by relevant documents mentioned in paragraph 30 above, together with certified or photostat copy of each of the documents duly signed by the applicant; and

(iv) a statement giving reasons to prove the necessity for the establishment or refixation of the quota.

(2) Applications for establishment/refixation of quotas will be entertained in respect of items for which the basic period has been extended or in cases in which the licensing authority is satisfied that the applicant has been unable for some good reason *e.g.* litigation or financial difficulties etc., to prove his basic imports and to establish his quota to participate in the import trade in the previous licensing periods. The need for establishing fresh quotas will also arise in cases in which the item or article in question has been allotted a separate serial number, or the system of quota licensing in respect of the item or the article has been introduced for the first time.

(3) Notwithstanding anything contained in sub-para (2) above, no belated application for establishment/refixation of quota will be entertained in respect of any serial number or sub-serial number where the delay in making the application exceeds five years. However, the delay may be condoned in cases where the licensing authority is satisfied that it was due to circumstances beyond the control of the applicant.

(4) Separate applications for establishment or refixation of quotas should be made in respect of items falling in different serial numbers or sub-serial numbers of the I.T.C. Schedule.

(5) The applications for establishment re-fixation of quotas should be made, complete in all respects, within the date prescribed in the relevant Import Trade Control Policy Book. However, in cases where there is a

change in the name, constitution or ownership of a business requiring recognition by the I.T.C. authority, it is not necessary for the new or the reconstituted concern to submit their applications for the establishment/ re-fixation of quotas within the prescribed date in respet of past imports standing in the name of the original concern. In such cases, the application for establishment/re-fixation of quotas should be made within a period of 30 days from the date of the applicant's recognition as new established importer. A licensing authority may condone delays in the submission of applications for establishment/re-fixation of quotas, upto a period not exceeding 14 days, in cases where such authority is satisfied that the delay was caused on account of circumstances over which the applicant had to control and that the refusal to condone delay will cause genuine hardship to the applicant.

38. **Fixation of quota for items under O.G.L. or which are banned for import or whose imports are canalised.**—No application for fixation or re-fixation of quota for items which are under O.G.L. or which are banned or whose imports are canalised through some particular agency and are not open to established importers, will be entertained. However, to avoid hardship that may be caused by the strict application of this rule, the licensing authority may relax the rule in the following types of cases, as indicated below:—

(i) Where an application for fixation of quota for a particular item remains pending for one period or more and, at the time of finalisation of the case, it so happens that the import of the item is banned, the quota certificate may not be refused merely on the ground that the item had been subsequently banned;

(ii) where an importer holds a quota certificate for a serial number which is subsequently split into various sub-serial numbers, some of which are banned, the original quota certificate may be split up by issuing fresh quota certificates in respect of past imports of each of the sub-serials including the banned ones;

(iii) Where the import of certain machinery etc. is banned but there is a provision in the relevant policy for the grant of licences for spare parts against the past import of such banned machinery, the quota certificate may be issued for such machinery inspite of the ban to enable the applicant to obtain licence for spare parts in terms of the policy.

(iv) Where an item is on O.G.L. or S.G.L. (Special General Licence) for import from specified country or countries only, the quota certificate may be issued in respect of such item, inspite of the item being on the O.G.L. or S.G.L.

39. **Quotas/past import upto which licences/quotas certificates will not be issued.**—(1) Quota/Additional/Supplementary licences to established importers will not be issued and no quota certificates will be granted to

them if the value of the past imports on which quota is claimed is upto the minimum indicated in the following table:—

Quota percentage of articles as given in the relevant imports Trade Control Policy Book.	The value of past imports upto which no quota/additional/Supplementary licence and/or Quota certificate will be granted.
(i) 25% or less	Rs. 100
(ii) Over 25%	Rs. 200

(2) No quota/additional/Supplementary licences will be granted to established importers in cases where the entitlement of the established importer at the quota percentage applicable to him works out to Rs. 100/- or below.

40. (1) If the application for a quota certificate is made within the date prescribed for submission of such applications in terms of the policy in force, and the application is complete in all respects and is accompanied by all the required documents, efforts will be made by the licensing authority to grant the quota certificate as early as possible before the expiry of the licensing period in which the application is made. However, there may be cases where the grant of the quota certificate is delayed for one reason or the other. The grant of licences for back periods against such quota certificate will be considered in terms of the provisions contained in Para 47 of this book.

(2) If an application for a quota certificate is not disposed of within a period of 21 days from the date of its receipt in the Quota Fixation Section, the licensing authority will issue an interim reply to the applicant. If an applicant does not receive an interim reply even after this time limit, he can bring the matter to the notice of the Public Relations Officer in the Import Trade Control Office concerned or book an interview with the officer concerned through the Enquiry Officer in order to know the reasons for the delay in the disposal of his application.

41. In para 20 of Section I of the Import Trade Control Policy Book for January-June, 1955 period it was notified that with effect from July-December, 1955 licensing period, the old quota certificates on non-security form, will not be accepted for the grant of import licences. However, such of the importers who had not received quota certificates on security form, were advised to do so immediately; and this concession had been extended upto July-December, 1956 period. With effect from January-June, 1957 period, the quota certificates, if any, on non-security paper are not accepted for calculation of quotas. It may be noted that, in no case, will an import licence be granted on the basis of the old quota certificate (*i.e.*, quota certificate not issued on security form).

42. **Issue of duplicate quota certificates.**—(1) Where a quota certificate is lost or misplaced, the established importer can file an affidavit on stamped paper in the form prescribed in Appendix (7) to this book and apply for the issue of a duplicate. The affidavit should be sworn before a 1st Class Magistrate or a Notary Public.

(2) Where a quota certificate on security form gets torn or worn out by frequent handling, the established importer can apply for the issue of a duplicate in lieu of such quota certificate.

(3) The applications for issue of duplicate quota certificates in such cases should be made to the licensing authority who had issued the original quota certificate in question.

(4) It will be open to the licensing authority to ask for the original documents such as Bill of entry etc. to verify the applicant's past imports before issuing duplicate quota certificate.

43. **Basis of quota licences.**—(1) Established importers can get quota/additional/supplementary licences on the basis of a valid quota certificate issued on security form, in terms of the import policy in force.

(2) The application for licence should be submitted by an applicant in the prescribed form, complete in all respects, so as to be received by the licensing authority concerned within the date prescribed for this purpose in the relevant Import Trade Control Policy Book, and duly accompanied by:

(a) a valid quota certificate issued on security form;

(b) Treasury/Bank receipt showing payment of the application fee on the value applied for;

(c) any other document considered necessary or prescribed in terms of the provisions of this book or the relevant Import Trade Control Policy Book or Public Notices/Trade Notices issued in this regard.

(3) The documents of past imports on the basis of which the quota certificate has been issued, need not be produced by the applicant along with his application for quota/additional/supplementary licence. But it will be open to the licensing authority to ask for the original documents of imports such as Bill of Entry etc. to verify the applicant's past imports before issuing the licence.

(4) Applications received after the prescribed date are liable to be summarily rejected. Applicants are, therefore, advised in their own interest to submit applications complete in all respects much in advance of the prescribed last date. The licensing authority may, however, entertain an application from an established importer for quota/additional/supplementary licence which is received complete in all respects or is completed by supplying the deficiencies within 30 days from the prescribed last date for receipt of such application or where the deficiencies are completed within a period of 30 days from the date on which the applicant is informed of the deficiencies by the licensing authority. But in such cases, the value of the quota/additional/supplementary licence, if otherwise due, will be reduced by 25 per cent. This cut will also be applicable to minimum value quota/additional/supplementary licences.

NOTE.—The absence of a treasury challan for the requisite amount or a quota certificate or any other important document required to be furnished by the applicant along with his application for licence will be considered as a deficiency for the purpose of the provisions of this paragraph.

(5) Where there is a change in the name, ownership or constitution of an established importer's business requiring recognition by the I.T.C. authority, it is not necessary for the new or the reconstituted concern to submit their applications for the grant of quota licences within the prescribed date in respect of quotas standing in the name of the original concern. In such cases, the established importer should make applications for quota licences within a period of 30 days from the date of his recognition as established importer and grant of quotas. However, where such applications for quota licences happen to be made after the expiry of the licensing period to which the applications relate, the provisions of paragraph (47) of this book will be applicable in the disposal of such applications also.

(6) If instead of obtaining the import licence on the basis of the quota certificate held by the applicant, he desires, for some good reason, to have his quota established afresh or revised, he should submit his application for establishment/refixation of quota to the licensing authority concerned as provided in paragraph (37) above. Previously, the application for the establishment of quota used to form part of the application for grant of licence; but in the interest of simplicity and despatch, the application for establishment or revision of quota is now required to be made separately.

(7) Where an applicant has submitted an application for establishment/refixation of quota complete in all respects within the last date prescribed for the submission of such application, he should submit his application for licence within 30 days from the date of issue of the quota certificate or within the last date prescribed for submission of applications for licences in terms of the relevant import trade control policy, whichever date is later.

44. **Procedure for calculating value of quota licences.**—(1) A quota licence is given to an established importer as a percentage of the value of imports fixed in the quota certificate in accordance with the Policy Statement in the Import Trade Control Policy Book for the licening period in question or the relevant public notice.

(2) As the distinction between dollar and soft currency areas has since been removed, only one application for quota licence on 'General Area' should be made on the basis of imports in any one financial year in the basic period in respect of articles falling under one serial number or sub-serial number of the I.T.C. Schedule. But in the case of serial numbers or sub-serial numbers for which separate quota licences could be issued during October 1960/March 1961 period on former General Area and former Soft Currency Area respectively, the parties holding two quota certificates in respect of past imports from dollar and soft currency areas falling in different basic years, will be eligible to receive quota licence on the combined value of the two quota certificates. In order to help the quota holders of small values, it has been decided that in respect of items for which two separate quota licences could be issued on the former General and the former Soft Currency Areas respectively in the period October, 1960—March, 1961, the minimum value of quota licence on General Area would be for double the amount admissible in terms of the provisions made in para 45 below. This concession of grant of quota licences for double the amount of the minimum value will not be applicable to additional/supplementary licences granted to established importers.

(3) According to the provisions contained in para. (31) of this Book, an Established Importer will be granted a quota certificate on the basis of the c.i.f. value of his imports of goods falling under the same serial number or sub-serial number from the General Area in a completed financial year selected by him within the prescribed basic period. But an established importer may be already having two separate quota certificates in respect of his past imports from former Dollar Area and former Soft Currency Area granted prior to April/September, 1961 licensing period. The Established Importers holding two such quota certificates should submit only one application for a quota licence from General Area in the manner indicated below:—

(i) In the case of items which were licensable from Soft Currency Area only during October 1960/March 1961 licensing period, the Established Importer holding two Quota Certificates on former dollar area and former soft currency area will be entitled to receive quota licence on the combined value of both the quota certificates provided the past imports shown in the quota certificates fall in the same financial year within the basic period. But if the imports fall in different basic years, the established importer will be free to claim a quota licence only on one quota certificate which may be advantageous to him for the purpose of obtaining a quota licence.

(ii) In the case of a serial number or sub-serial number for which separate quota licences could be issued on General Area and Soft Currency Area during October 1960/March 1961 licensing period, the established importer holding two quota certificates in respect of past imports from former Dollar and former Soft Currency Areas in the same or different financial years within the basic period will be eligible to receive quota licence on the combined value of the two quota certificates. In such cases also the established importer should submit only one application for a quota licence.

"It may be clarified that the concession of granting quota licences on the combined value of two quota certificates issued prior to April-September 1961 period, will not be available when the quota has to be refixed consequent upon change in the classification of goods, introduction of a new Serial No./Sub-Serial No. or split up of the existing Serial No./Sub-Serial No. into two or more Serial Nos./Sub-Sr. Nos. The fresh quota certificate issued will be in respect of past imports of the goods admissible for quota fixation under the particular Serial No. or Sub-Serial No. in a common completed financial year selected by the importer within the prescribed basic period."

(iii) The Established Importers should give declaration in the following form along with their applications:—

"We possess/do not possess two quota certificates for serial number/sub-serial number (to be specified) and declare that we have submitted no other application for obtaining quota licence."

Note.—This declaration has been incorporated in the application form 'A' meant for established importers and need not, therefore, be furnished separately.

(4) As a measure of relief to importers from Pakistan, separate licences will be issued based on the quota certificates pertaining to the past imports from Pakistan. The value of such separate licences will be calculated on the same quota percentage as is applicable in respect of the item concerned for import from General Area as a whole in terms of the policy given in the relevant Import Trade Control Policy Book in the same manner as indicated in this para. The separate licences so issued will be valid for import from General Area.

45. **Minimum value of licences.**—(1) In cases where the past imports on which quota is claimed exceed the limits mentioned in sub-para 39(1) above, and where the applicants are not eligible to the grant of quota licences in terms of sub-para 39(2) above, the minimum value of quota/additional/supplementary licences issued to established importers, wherever admissible, will be Rs. 1000/- unless otherwise provided.

(2) In the case of division of quota of an established importer on account of dissolution of the partnership, death of the proprietor, partition of the Hindu undivided family or any other reason, the division of quota is allowed to enable the succeeding parties to get their proportionate shares of the approved quota of the original firm. While allowing the division of quota in such cases, none of the succeeding parties will be allowed the concession of obtaining minimum value licences as provided in this para, but the total value of licences admissible to all the succeeding parties, taken together, will be equal to the entitlement of the original firm had there been no division of quota. The quota certificates granted to such parties will be suitably endorsed in this regard. It may be clarified that if, under the provisions of this sub-para, the value of a licence to be issued to a succeeding party comes to Rs. 100/- or less, such party will not be eligible to that licence in terms of sub-para 39(2) above.

46. **Established Importers having more than one office in India.**—(1) The Head Office and Branches of an established importer concern should obtain separate quota certificates in respect of past imports standing in the name of each of them; and the basic year for the Head Office and all its branches should be one and the same in respect of articles falling under one serial number or sub-serial number of the I.T.C. Schedule as the case may be.

(2) The Head Office and Branches of an established importer should, when applying for licences, append to their applications a certificate as in Appendix (7) to this book, certifying that the Head Office and all the Branches of the concern in India have selected a particular financial year as the common basic year and the quota certificate on the basis of which an import licence is claimed, gives the certified particulars of previous imports in that common basic year.

(3) Under the rules, the clearance of goods imported by a branch of a concern should be allowed only against a licence issued to that particular branch. But a relaxation has been allowed to permit the clearance of goods imported by one branch against a licence issued to another branch. In such cases the Bill of Entry will show the number of the licence and full particulars of the licence-holder and the benefit of past imports for

the purpose of quota fixation will be given to the branch holding the licence against which the imports have been effected and not to the branch which cleared the goods.

(4) The Head Office or the branch of a concern may make a consolidated application for import licence for any item on the basis of past imports standing in the name of head office and all its branches. Such application should be accompanied by a certificate to the effect that all the other branches of the concern have not made and will not make any application for the same item during the same licensing period to any other licensing authority. The procedure for submission of applications by such concerns is also given in para 21 of this book.

(5) For the purpose of determining whether the applications are separate entities or branches, the following will be the criteria:—

(i) If the concerns are assessed to Income-tax jointly i.e. have a common I.V.C. No., they will be treated as branches or a head office and its branches.

(ii) If the firms are proprietary/partnership concerns and are assessed to income-tax separately and have separate I.V.C. Nos. but are owned by one and the same person or the same set of persons, they will be treated as branches or Head Office and its branches.

(iii) Limited companies, whether Public or Private with the same set of Directors or otherwise, which are assessed to income-tax separately and have separate I.V.C. Nos. will be treated as separate entities.

47. **Issue of import licences to be established importers against applications for back periods.**—Although every possible effort will be made by the licensing authorities to dispose of all the applications for import licences submitted in a particular licensing period within the currency of that period, there may be cases where the final disposal of the application is delayed for the following reasons:—

(i) Laches on the part of the applicant by making incomplete applications or by late submission of required documents/information.

(ii) Delay in the processing/consideration of the case due to unforeseen circumstances beyond the control of the import trade control authorities or other government departments.

In the type of cases covered by category (i) above, no import licences would be granted against applications for back periods. But in the type of cases covered by category number (ii), the applications for back periods will be considered subject to the availability of monetary/foreign exchange ceiling in the following manner:—

(a) Where the item concerned is licensable to established importers at the time of issue of the licence, the application for the back period will be considered in the normal course in terms of the import policy for the licensing period to which the application pertains;

(b) Where the item concerned is not licensable to established importers at the time of issue of the licence and the application for consideration pertains to the immediately preceding

period, such application will be considered in the normal course in terms of the import policy for the licensing period to which the application pertains provided the import of the item in question is not canalised through any agency at the time of issue of the licence; and

(c) no licences for back periods will be issued in cases not covered by (a) and (b) above and for items whose import is canalised at the time of consideration of the application. However, in order to alleviate the hardship caused to the applicant by the total refusal of licences in such cases, the licensing authority may consider such application on *ad hoc* basis and issue licences for permissible items in lieu of banned and canalised items. Such licences where granted will be subject to such restrictions, limitations or conditions and for such value as may be deemed fit and decided by the licensing authority.

Recognition of new Established importers and transfer of Quotas (TQR)

48. An established importer may be (i) an individual, (ii) a partnership firm, (iii) a karta of a Hindu undivided family in respect of the family business, (iv) a limited company and (v) any association or body of individuals. Licences are granted in the name of the business belonging to the established importer. Where there is any change in the ownership, constitution or name of the business, the established importer will not be eligible to the grant of licences as he ceases to be an established importer. However, in public interest and for continuity or business, the licensing authority may recognise new established importers in respect of any business, in accordance with the provisions made in the followng paragraphs.

49. Where there is a change in the ownership or constitution of an established importer's business, without any change in the name of the business, and the new owner or the reconstituted concern, as the case may be, acquires the quota of the original concern, as a whole, the quota belonging to the original concern will be deemed to have been transferred to the new concern. The new concern can obtain import licences on the basis of such quota, if otherwise admissible. In such cases, no application for TQR need be made but an intimation about the change should be sent, in the form given in Appendix 25, to the licensing authority within one month of the date of change. The constitution of the new concern should also be mentioned in the usual manner in the next application for import licence, indicating therein the nature of the change and the date from which it has taken place.

50. Where there is a change in the name of the established importer's business, without any change in the ownership or constitution of the business, no application for (TOR) need be made. The established importer should produce his quota certificate to the licensing authority concerned for necessary change therein, alongwith an affidavit about the change of name and affirming that he will not claim any licence in future in the old name. Where a private limited company becomes a public limited company or *vice versa*, it should report the fact to the licensing authority concerned.

51. Where there is a change in the name of established miporters business alongwith a change in the ownership or constitution of the business, the new concern cannot claim import licences on the basis of the quota of the original concern, without obtaining TQR in its favour. The application for TQR should be made to the licensing authority concerned.

52. Where there is any change in the ownership or constitution of an established importer's business and, as a result of such change, a part of the quota of the original concern is required to be separated or the quota of the original concern is required to be divided, the application for such separation of the quota or for its division, as the case may be, should be made to the concerned licensing authority. If the quota to be separated is also sought to be transferred in favour of any persons, the transferee should also make the application for TQR to the licensing authority concerned. In such cases, the new owner or the reconstituted concern(s) cannot claim import licences on the basis of the quota standing in the name of the original concern without obtaining TQR.

53. Where an established importer is a limited company and the company is amalgamated with another limited company, the application for TQR in favour of the new company should be made to the licensing authority concerned, supported by an order of the competent court or other evidence of amalgamation.

54. An application for TQR should be made in the form given in Appendix 8 alongwith the prescribed documentary evidence. The jurisdiction of the port licensing authorities for dealing with such applications is given in Appendix 9. The importers holding quotas for items licensable by the Iron & Steel Controller only, should apply to that authority for TQR.

55. The applications made in terms of paragraphs 51 and 52 above should be accompanied by the following documents:—

(i) in the event of death of any person, a death certificate should be produced;

(ii) in the event of relinquishment of rights by any person in favour of another, an affidavit of relinquishment should be produced;

(iii) if the transfer of quota in favour of any legal heir or heirs claimed on the basis of a 'will', the application should also be supported by the said 'will' and the probate thereof or an affidavit of consent by all the other legal heirs;

(iv) partnership deed of the outgoing concern;

(v) partnership deed of the incoming concern if it is a partnership firm;

(vi) if the business has been sold, deed of transfer duly registered with the Registrar of documents should be produced; if the firm is dissolved, a date of dissolution should be produced;

(vii) where a common basic year is required to be selected for calculation of quota, application should be supported by an affidavit to the effect that the parties will select a common basic year for the establishment of quotas in respect of some or similar items on the basis of the business done by the outgoing concern; and

(viii) any other document on which the applicant may rely in support of his application.

56. Affidavits to be produced by the applicants with their applications for transfer/division of quotas, wherever laid down, should be sworn before a 1st Class Magistrate or a Notary public.

57. (i) Subject to the provisions in sub-para (ii) and iii) below, an established importer is not allowed to transfer his business to which a quota is attached, except as a whole.

(ii) If an established importer has two or more branches, each having a separate quota in respect thereof, it will be open to such established importer to transfer the business of any branch with the entire quota belonging to that branch.

(iii) Where due to a change of a sole agency in respect of the products of a foreign manufacturer, the old agent agree to transfer the whole or a part of his quota to the new agent, the transfer/division of the quota is permissible.

(iv) Where an established importer has also got a manufacturing business, and any of the items in which he has a quota as an established importer may be required for use in such manufacturing business, the established importer can transfer his business as an established importer except for the items which may be required for use in the manufacturing business. If, in such a case, an established importer transfers his manufacturing business, his established importer quota in respect of items which may me required as raw materials, components or spares in the said manufacturing business will lapse.

58. In the following types of cases, import licences can be claimed only against quotas calculated on 'common basic year', in respect of same or similar items on the basis of the business done by the out-going concern:—

(a) where a quota is divided and transferred in part to several persons separately, the persons in whose favour the quota is transferred, have to select a common basic year;

(b) where an applicant acquiring a quota is carrying on business in any other name or style, he would be required to select a common basic year for calculation of quota for same or similar items in respect of both the concerns;

(c) where a person acquires a quota in respect of any item transferred in his favour and he already holds a quota in respect of the same item, it shall not be open to him to claim licences on different basic years for the same items in respect of both the quotas. This will also apply in the case of amalgamation of two limited companies;

(d) in cases falling under sub-paragraphs 57 (ii) and 57 (iii) above, the transferer and the transferee will be required to select common basic year for the same and similar items; and

(e) the provisions of this paragraph will also apply to cases where the parties have been exempted from making applications for TQR.

59. Where an application for TQR is required to be made in terms of these provisions, such application should be made so as to reach the licensing authority concerned, complete in all respects, within a period of 90 days from the date of change in the ownership, constitution or name of business etc. as the case may be. The licensing authority may, however, in deserving cases, condone the delay in making the application if such authority is satisfied that the delay was caused by circumstances beyond the control of the applicant. If the applicant is not in a position to make an application, complete in all respects, within the prescribed period of 90 days due to the formalities to be observed in getting the deed of transfer of business registered with the Registrar of Documents, he can apply by producing an attested copy of the transfer deed with an evidence to show that the original deed has been deposited for registration and should furnish an undertaking to the effect that the original deed duly registered will be produced by him within a period of 15 days from the date of registration. Application which is not made, complete in all respects, within 90 days or where the delay in the submission of such application is not condoned by the licensing authority, will be liable to be rejected.

60(i). Where an established importer has duly made an application for licence, but there is a change in the ownership or constitution or name of the business before the license is granted, the licence will be granted on such application, if otherwise admissible, to the new owner or owners or newly constituted firm etc. after their having been recognised as established importer, provided the application for TQR, wherever necessary, was made, complete in all respects, within the prescribed period of 90 days or within the period for which the delay is condoned by the licensing authority.

(ii). If the licensing authority is satisfied that the approval to the recognition and grant of quota is likely to be delayed on account of circumstances beyond the control of the applicant, it will be open to the licensing authority to grant licences to the applicant in anticipation of the approval, if the applications are otherwise in order.

(iii). The rules and procedure for the grant of licences for back periods to established importers will also apply to the applications for licences to be issued to newly recognised established importers.

61. In the following types of cases, the quota of established importer will lapse:—

(i) if the established importer is an individual and is declared insolvent; and

(ii) if the established importer is a limited company which is wound up without any arrangement having been made for the transfer of its business.

62. In the following cases, no change in the ownership of the business will be held to have taken place for the purpose of these rules:—

(i) Change of directors or share holders in public or private limited company.

(ii) Changes in the Hindu undivided family by birth, death or otherwise except the death or retirement of the karta.

(iii) Change of address of an established importer's business.

63. Any case which is not strictly covered by any of the above paragraphs will be decided on analogous principles.

64. In cases where an application for TQR is not required to be made under the foregoing provisions, the application for licence should be accompanied by a declaration in the form given in Appendix 25.

65. Where the new established importers have been exempted from making applications for T.Q.R., the import licences will be issued to them in the normal course, if otherwise admissible. They will, however, be required to state in their applications for licences the changes occurring in the business and the dates from which such changes have taken place. If in such cases, any objection is received from any persons at any time against the licences claimed or granted, the licensing authority will examine such objection and call for such evidence from both the parties as may be deemed necessary. If as a result of the examination, the licensing authority finds that the established importer is not entitled to the whole or a part of the quota on the basis of which he has been claiming licences without obtaining sanction for TQR, the quota of the established importer will be reduced accordingly and the parties found guilty of misrepresentation or contravention of these rules will be liable to penal action under the Imports & Exports Control Act and the orders issued thereunder. In such cases the value of the excess licences already obtained by the party will also be adjusted against the future quotas of the party in respect of any items for any category.

66. If the objection in terms of paragraph 65 above is made to the licensing authority concerned with three months from the date of the change in the constitution or ownership or name of the established importer's business, and the objector is found to be entitled to either the whole or a part of the quota, he will be eligible to the transfer of such quota in his favour. The licensing authority may also condone the delay in making the objection, if such authority is satisfied that the delay was caused by circumstances beyond the control of the objector.

67. It will be open to the licensing authority to reject the application for TQR:—

(i) if the application is made, complete in all respects, after the prescribed period of 90 days;

(ii) if the application or the documents accompanying the application are defective;

(iii) if the licensing authority decides that the recognition and grant of quota is not in public interest or for continuity of any business;

(iv) if the licensing authority decides that the transfer/division of quota is sought with an intention to defeat the transferers creditors;

(v) for any other reasons to be recorded.

68. The licensing authority may, after giving a reasonable opportunity to the persons who have been recognised as established importers and to whom a quota has been granted, of being heard, cancel or amend the order regarding recognition of new established importer and grant of quota, if it is found—

(i) that the application for recognition and grant of quota contained any false, fraudulent or misleading information;

(ii) that the evidence tendered by the applicant contained any document which was false or fabricated or had been tampered with;

(iii) that the applicant is guilty of any corrupt or fraudulent practice in respect of his application; and

(iv) that the recognition and the quota has been granted through inadvertance or mistake or due to any fraud or misrepresentation.

68A. **Permission for utilisation of quota licences.**—Where an import licence has been granted to an established importer and after the grant of the licence but before its utilisation, there is a change in the ownership or constitution or name of the established importer's business, the new owner of the business or the re-constituted concern etc. as the case may be, cannot utilise the licence in question without obtaining a written permission from the licensing authority which granted the licence or from any other person empowered in this behalf by such authority in terms of sub-clause 5(3) of the Imports (Control) Order, 1966, dated the 7th December, 1955 as amended. In such cases, an application for obtaining the necessary permission of the authority concerned should be supported by an affidavit of the applicant, sworn before a 1st Class Magistrate or Notary Public, to the effect that he is the rightful successor of the business for which the licence in question was issued and that, in the event of any mis-statement, subsequently detected in this respect, he will be liable to all actions and consequences arising therefrom.

68B. **Issue of fresh Quota Certificates consequent on transfer/division of quotas.**—(1) In the event of a change in the ownership or constitution of a business without any change in the name of the business, where the new owner or the reconstituted concern, as the case may be, is not required to apply for TQR, the quota certificates standing in the name of the original concern will be endorsed by the licensing authority concerned indicating therein the nature of the change and the date from which the change has taken place.

(2) If the name of the business changes, the quota certificate will be amended by the licensing authority concerned by changing the name of the established importer's business appearing thereon. An endorsement will also be made on the quota certificate indicating the date from which the change has taken place.

(3) Where a quota has been divided, the quota certificates and their counterfoils standing in the name of the dissolved concern will be cancelled and fresh quota certificates will be issued in the name of the succeeding parties concerned according to the share of the quota transferred in their

name. A suitable endorsement giving the number and date of the order under which division/transfer has been allowed by the ITC authority concerned will also be made on the old and fresh quota certificates and their counterfoils.

(4) The persons concerned should produce the quota certificates to the licensing authority who issued the same, for necessary endorsement/amendment as indicated above immediately after the change has occurred. In cases where the new owner or the reconstituted concerned is required to apply for TQR, the quota certificates should be produced to the licensing authority concerned for necessary endorsement/amendment immediately after the new owner or the reconstituted concern, as the case may be, has been recognised as an established importer.

CHAPTER IV

ACTUAL USERS

69. (1) **Definition.**—Actual users are those who require raw materials, accessories, machinery and spare parts for their own use in an industrial manufacturing process.

(2) **Categories of actual users.**—Broadly speaking there are three categories, *viz.*, (i) scheduled industries borne on the registers of the Directorate General of Technical Development, (ii) scheduled industries **not borne on the registers of the Directorate General of Technical Development** and non-scheduled industries other than small scale industries, and (iii) small scale industries.

Scheduled Industries borne on the registers of the Directorate General of Technical Development.

70. **Procedure and frequency for submission of applications for raw materials, components and spares.—(1)** Licensing and sponsoring authorities.—Actual users borne on the registers of the Directorate General of Technical Development for a particular industry, should, in respect of goods required for that industry, apply to the Chief Controller of Imports and Exports, New Delhi through the Directorate General of Technical Development (Import Cell) in the prescribed form. The envelopes should be superscribed "import application" and addressed to the Assistant Director (Import Cell), Directorate General of Technical Development, New Delhi. These applications will be forwarded by the Directorate General of Technical Development with their recommendations to the Chief Controller of Imports and Exports, New Delhi, for necessary action.

(2) **Form of application.**—The applications should be made, in duplicate, in the prescribed form "C" as given in this Book. The applications hould be accompanied by:—

(a) Treasury/Bank receipt showing the payment of application fee on the value applied for;

(b) seven copies of the list of items sought to be imported (out of these seven copies, one copy will be returned by the Directorate General of Technical Development to the applicant with such amendments as the Directorate General of Technical Development may make). If the number of licences to be issued in a particular case is more than one, the licensing authority will require seven copies of the list of goods to be imported against each licence. Therefore, the number of copies of the list of items likely to be required may be calculated by the applicant on the basis of seven copies for each licence of the set of previous licences issued.

(c) any other document/information considered necessary or required in terms of the provisions of this Book or the relevant Import Trade Control Policy Book or any Public Notice/Trade Notice issued in this regard.

(3) **Consolidated applications.**—(a) An industrial undertaking should submit a consolidated application for import licence covering its requirements of raw materials, components and also spare parts, including spare parts of machine tools for the particular industry to which the application pertains, but excluding items licensable by Iron and Steel Controller. There should not be a separate application for spare parts. The application should be made after very careful consideration so that the necessity for applying for a change in the nomenclature or description of items or introducing any new item at a later stage does not arise. Unless there are special reasons, the requests for amendment or addition to the list or description of items will not be entertained.

(b) In the case of IDA industries (listed in appendix 27 to this book), the applicants should also include the items licensable by the Iron and Steel Controller in their consolidated applications for raw materials, components and spares made to the Chief Controller of Imports and Exports, New Delhi through the Directorate General of Technical Development. In such cases, no separate applications in respect of items licensable by the Iron and Steel Controller need be made to him.

NOTE.—Where an actual user has to import goods through different agents by obtaining letters of authority in favour of such agents, the application for licence should be accompanied by separate lists of goods to be imported through each agent. In such cases the actual users can also make separate applications for licences in respect of goods to be imported by him through different agents.

(4) **Code Numbers.**—For facility of reference, the Directorate General of Technical Development will allot code numbers to each industrial unit borne on their books. As and when code numbers are allotted by the DGTD, the unit should quote its code number in its application for licence and also in all subsequent communications so that cross-referencing is facilitated. In the licensing sections of the office of the Chief Controller of Imports and Exports, suitable adjustment will be made in the filling and indexing system to mesh with the processing of applications for licences on the code numbers allotted by the DGTD. If no code number has been allotted to a unit by the DGTD, the words "not allotted" should be written by the applicant against the relevant column at the top of the prescribed form of application for licence (Form 'C').

(5) **Guide-lines for applicants.**—The applicants should also observe the following instructions while applying for licences:—

(i) The stocks held and the expected arrivals against licences in hand as on the date of application for licence, should be indicated in the appropriate column in the application for licence;

(ii) Full details of the items applied for and justification for their import *vis-a-vis* use of indigenous substitutes, the value/quantity in respect of each item and the ITC classification of the items should be invariably indicated in the application for licence;

(iii) Detailed end-use of the raw materials/components applied for should be mentioned in the application;

(iv) The Factory Number and the code number allotted by the Directorate General of Technical Development to the scheduled unit should be given in the relevant columns in the application form;

(v) It should also be indicated in the application whether the applicant has been licensed under the Industries (Development and Regulation) Act, 1951 and if so, the licence number may be quoted;

(vi) The efforts made for procuring the goods applied for or substitutes thereof from the internal market or indigenous manufacturers and the result of such efforts should also be indicated in the application (the indigenous manufacturers published in the Hand Book of Indigenour manufacturers should be contacted for the supply of articles manufactured by them);

(vii) No application should be made for raw materials etc. required for the manufacture of new items unless a licence for such manufacture has been obtained under the Industries (Development and Regulation) Act, 1951 wherever necessary.

(6) Priority Industries:—

(a) A list of 'priority' industries is given in Appendix 26.

(b) In order that the priority industries should be able to meet their requirements on a continuing basis, it has been decided that such industries need not be subject to any fixed dates or periods for making their import applications. Therefore, there will be no last dates for submission of applications by such units.

(c) The existing units can apply for import licences for raw materials, components and spares after utilising the previous set of licences for raw materials, components and spares to the extent of 90 per cent by way of Letter of Credit or 60 per cent by way of actual importation. Every time, an application for the licence is made, it should cover six months' requirements of the units. Along with each application, the applicant should produce evidence showing utilisation of the previsious set of licences in the form of original or photostat of the Exchange Control or Customs Copy of the licence(s) as the case may be.

(d) New units under the priority sector may apply for their first import licence for raw materials, components and spares to cover six months' requirements, and subsequent applications will be entertained from them in the manner indicated in (c) above.

7. Industries other than priority industries:—

(a) There will be no last date for submission of applications by such units.

(b) The first application from such units during April, 1967—March, 1968 for import of raw materials, components and spares, covering the requirements for six months, should be made after utilising the previous set of licences for raw materials, components and spares issued to the units for the period April 1966—March, 1967, to the extent of 90 per cent by way of Letter of Credit or 60 per cent by way of actual importation. The evidence showing utilisation of the previous set of licences should be furnished with the application as indicated in sub para (6)(c) of this paragraph. In deserving cases the applications for licences made before fulfilment of the condition regarding utilisation of the previous set of licences, may also be considered on merits.

(c) The second application for licence during April 1967—March, 1968 for import of raw materials, components and spares, covering further requirements for six months, may be made after utilising the previous set of licences to the extent of 90 per cent by way of Letter of Credit or 60 per cent by way of actual importation. The evidence regarding utilisation of the previous licences should be furnished as indicated in sub para (6)(c) of this paragraph.

(d) New units may apply for their first import licences for raw materials, components and spares during April, 1967—March, 1968 to cover six months' requirements. The second application for raw materials, components and spares may be made by such units after utilising the previous set of licences in the manner indicated in sub para (c) above.

(e) Applications for import of raw materials, components and spares for the licensing periods subsequent to April, 1967—March, 1968 will be made by industries other than the priority industries in terms of the provisions of the relevant import policy to be announced from time to time.

71. **Processing of applications and basis of licensing.**—(1) The applications for licences received in the Directorate General of Technical Development without the treasury challan showing the payment of application fee or where the treasury challan furnished by the applicant is not of the correct amount which the applicant is required to pay on the value applied for, will be returned by the Directorate General of Technical Development to the applicant indicating to him the correct amount to be paid as application fee and advising him to resubmit the application with the treasury challan of the requisite amount within a specified time.

(2) The applications which are duly supported by treasury challan of the requisite amount, will be scrutinised in the Directorate General of Technical Development and, while acknowledging the application, the Directorate General of Technical Development will also inform the applicant about the deficiencies in his application. For the purpose of locating the deficiencies in an application, the Directorate General of Technical Development will also check up whether the I.V.C. No. quoted by the applicant in his application is valid for the licensing period to which the application pertains; and the deficiency, if any, in the I.V.C.

No. will also be communicated by the Directorate General of Technical Development to the applicant along with other deficiencies in their acknowledgement-*cum*-deficiency letter. The applicant will be given a specific time-limit to make up the deficiencies.

(3) The Directorate General of Technical Development will also check up whether the applicant has furnished to them the complete monthly production returns for the preceding calendar year in respect of the industrial unit to which the application for licence pertains. In the case of units failing to submit complete monthly production returns, the applications for licences will be liable to be summarily rejected.

(4) The recommendations for grant or refusal of licences will be made by the Directorate General of Technical Development on the basis of (i) foreign exchange availability or availability of other monetary ceilings (ii) availability of the goods applied for from indigenous sources or other commercial channels, (iii) essentiality of the goods applied for, (iv) stocks in hand and expected arrivals, (v) past imports and past consumption of the item(s), in questions, by the applicant, (vi) actual production during the preceding year, (vii) estimated production and (viii) other factors considered relevant and necessary. In his recommendation for the licence, the DGTD will indicate a separate allocation for raw materials and components, and a separate allocation for spares.

(5) The recommendation of the Directorate General of Technical Development will be forwarded to the CCI&E, along with one copy of the application for licence in each case and the treasury challan furnished by the party. Five copies of the list of goods recommended for import by the Directorate General of Technical Development including one copy of the list duly attested by them, will also be sent to the CCI&E along with the recommendation in all cases. The Directorate General of Technical Development will also send a copy of their recommendation to the applicant, returning to him therewith one copy of the list of goods applied for with such changes as may be made by them in the list. If an applicant has furnished more copies of the list of items sought to be imported, depending upon the number of licences to be issued against the application, the extra copies sent by the applicant will also be forwarded by the D.G.T.D. to the C.C.I. & E. with the application for licence. If more than one licence is recommended against an application, and the applicant has not furnished the required number of copies of the list of items to be imported the D.G.T.D., while sending a copy of their recommendation to the applicant, will inform him to send the required number of copies of the list of items to the Chief Controller of Imports and Exports direct. The number of copies of the list of items likely to be required may be calculated on the basis of seven copies for each licence to be issued.

(6) On receipt of the application and the recommendation from the Directorate General of Technical Development, the licensing authority will check up the A.V.C. No., treasury challan and other procedural points relating to the Import Trade Control Rules and Regulations, and if the application is found to be in order, the licence will be issued or refused, as the case may be, based on the recommenda-

tion of the Directorate General of Technical Development. Such licences will be consolidated licences covering the requirements of the applicant in respect of raw materials, components and spares. In the consolidated licence, the licensing authority may show the value separately for (i) raw materials and components and (ii) spares. It will not be open to a licensee to divert any portion of the allocation for spares for the import of raw materials and components unless otherwise provided in paragraph 84 of this book or in the import licence concerned. The value/quantitative limits against individual items permitted in the licence will be indicated, if so recommended by the Directorate General of Technical Development. Where the licensing authority does not, for any reason, accept the advice/recommendation of the Directorate General of Technical Development in its entirety, the necessary intimation to this effect will be given to the Directorate General of Technical Development.

NOTE :—Instead of issuing consolidated licences, the licensing authority will issue separate import licences in the following types of cases:—

(a) where the goods are sought to be imported by the actual user through different agents on the basis of letters of authority;

(b) where the mode of payment is different, such as free foreign exchange, AID, rupee, etc.

(c) where the goods are to be imported through different ports.

(7) **Restrictions on remittances/utilisation of licences.**—The licences for raw materials, components and spares will be issued subject to such conditions or restrictions regarding utilisation or remittances as the licensing authority may deem fit to impose.

(8) **Amendment.**—The requests for amendment of licences should also be routed through the Directorate General of Technical Development and such requests will be considered by the licensing authority on the recommendation of the Directorate General of Technical Development. However, requests for amendment of minor nature *i.e.* those not involving change in the value or items, will be entertained direct by the licensing authority.

(9) **Revalidation.**—The procedure for making applications for revalidation of licences is given in Chapter X of this book.

Scheduled Industries not borne on the Registers of the Directorate General of Technical Development and non-scheduled Industries other than small scale.

72. Classification into two groups:—

For the purpose of import applications for raw materials, components and spares, the actual users excluding small-scale units, not borne on the books of the D.G.T.D. for the particular end-product, have been classified into two groups, namely, (i) units sponsored by the States Directors of Industries, and (ii) those looked after by other sponsoring authorities.

73. Procedure and frequency for submission of applications for import of raw materials, components and spare parts.—

(1) In the case of units falling in group (i) in paragraph 72 above, whether engaged in priority industries listed in Appendix 26 or other industries, the procedure will be the same as for the S.S.I. units indicated separately in this book.

(2) In the case of units falling in group (ii) in paragraph 72 above, whether engaged in priority industries listed in Appendix 26 or other industries, the procedure for submission of applications and grant of licences will be the same as for the D.G.T.D. units indicated separately in this book. The applications for import licences should be made by such units, to the licensing authorities concerned through the respective sponsoring authorities.

(3) **Forms of application.—**

The applications should be made, in duplicate, in the prescribed form 'B' as given in this book. This is an application-cum-recommendation form and no separate application for obtaining the recommendation of the sponsoring authority will be required to be made. It should be carefully noted that the system under which the actual users were required to obtain essentiality certificates from the Directors of Industries or other sponsoring authorities, has been dispensed with effect from April 65—March 66 period and the actual user will not now be required to get essentiality certificate. The revised form of application is itself an application-cum-recommendation form which should be submitted by the actual user to the sponsoring authority concerned after filling in parts I & II of the form. The sponsoring authority will give his recommendation in Part III of the application form and will thereafter forward the application to the licensing authority concerned for necessary action. The application should be accompanied by :—

(a) treasury/bank receipt showing the payment of application fee on the value applied for;

(b) The required number of copies of the list of items sought to be imported as indicated in paragraph 70(2)(b) of this book.

(c) any other document/information considered necessary or required in terms of the provisions of this Book or the relevant Import Trade Control Policy Book or any Public Notice/ Trade Notice issued in this regard.

(4) Sponsoring Authorities.—The names of sponsoring authorities through whom the actual users are required to submit their applications for licences, wherever necessary, are given in Appendix 10 to this book. Sponsoring authorities will forward the applications with their recommendations to the Regional licensing authorities concerned/licensing authorities as indicated in the relevant Import Trade Control Policy (Red Book).

(5) Consolidated applications.—The application should be a consolidated one covering the requirement of the unit in respect of raw materials, components as also spare parts, including spare parts of Machine Tools,

for the particular industry i.e., for each end product to which the application pertains, but excluding ferrous metals for which separate applications should be made where required and also excluding such of the items of raw materials/components as are licensable by the other licensing authority for which also separte application should be made to the licensing authority concerned through the appropriate sponsoring authority. There should not be a separate application for spare parts. The applicants should make applications after very careful consideration so that the necessity for applying for a change in the description of items or introducing any new item at a later stage does not arise. Unless there are special reasons, the requests for amendment or addition to the list or description of items or value thereof will not be entertained.

Note :—Where an actual user has to import goods through different agents by obtaining letters of authority in favour of such agents, the application for licence should be accompanied by separate lists of goods to be imported through each agent. In such cases the actual user can also make separate applications for licences in respect of goods to be imported by him through different agents.

(6) While applying for licences, the applicants should follow the instructions as stated in sub-para 5 of paragraph 70 of this book wherever applicable.

74. **Processing of applications and basis of licensing.**—(1) Scrutiny by sponsoring authority.—In cases where applications for licences are required to be made through the sponsoring authorities; the sponsoring authority will send to the applicant an acknowledgement of the application, also indicating therein the deficiencies in the application. For the purpose of locating deficiencies in the application, the sponsoring authority will also check up the I.V.C. No. and the treasury challan furnished by the applicant showing the payment of application fee. In regard to the I.V.C. number, the sponsoring authorities will check up whether the number quoted by the applicant is valid for the licensing period to which the application pertains. In the case of treasury challan the sponsoring authority will see whether the applicant has paid the correct amount due from him on the value applied for. The deficiencies in the I.V.C. number and the treasury challan will also be communicated by the sponsoring authority to the applicant along with other deficiencies in the acknowledgement-cum-deficiency letter sent to the applicant. The applicant will be given specific time limit to make up the deficiencies.

(2) Recommendation by sponsoring authority.—In cases where applications for licences are required to be made through the sponsoring authorities, the sponsoring authority will prepare 4 copies of his recommendation for licence in each case in Part III of the application form. Of these 4 copies, one copy will be sent by him to the applicant, one will be retained in his own office and two copies will be sent by him to the licensing authority concerned along with one copy of the application and the treasury challan furnished by the party. The lists of items will also be sent by the sponsoring authority duly attested by him. In his recommendation for the licence, the sponsoring authority will indicate a separate value of raw materials and components, and a separate value for spares.

(3) Scrutiny by licensing authority.—On receipt of the application, the licensing authority will check up the I.E.C. No., the Treasury Challan and other procedural points as required in terms of the Import Trade Control Rules and Regulations. The deficiencies, if any, found therein will be communicated to the applicant giving him a specified time limit to make up the deficiencies. In the case of applications found to be in order, the licensing authority will proceed to consider the case on merits on the basis of the certified requirements having regard to the following :—

(i) availability of foreign exchange or other monetary ceilings.

(ii) the stocks held and expected arrivals against the licences in hand as on the date of application for licence.

(iii) the quantity of goods or its substitutes likely to be made available through indigenous sources or other commercial channels;

(iv) past imports/past consumption of the item in question by the applicant;

(v) the actual production during the past licensing period and the estimated production, and

(vi) any fall in production on account of circumstances such as breakdown of machinery, labour relations, want of funds, etc.

(4) Consolidated licences.—Import licences issued for raw materials, components and spares will be consolidated licences except that in the following types of cases, separate licences will be issued :—

(a) Where the goods are sought to be imported by the actual user through different agents on the basis of letters of authority;

(b) Where the mode of payment is different, such as free foreign exchange, AID and rupee etc.

(c) Where the goods are to be imported through different ports.

(5) Intimations to sponsoring authorities.—The intimation about the grant or refusal of the licence will be sent by the licensing authority to the sponsoring authority if the decision of the licensing authority is at variance with the recommendation of the sponsoring authority. However, in cases where the applications for licences are to be made to the licensing authorities direct, the licensing authorities will send intimations to the sponsoring authorities concerned about the licences issued in all cases.

(6) New Units.—Applications from actual users who are applying for the first time may be considered on merits if specially recommended by the sponsoring authority concerned provided the unit has already imported/purchased locally and installed the machinery. The issue of licences will depend upon the essentiality of the end-product and the availability of foreign exchange ceiling. The defence and export oriented industries will be given preference.

(7) Permissible items.—The applications will ordinarily be considered for items which are shown as licensable to actual users in the relevant Import Trade Control Policy Book, but applications for other items specially recommended by the sponsoring authority may also be considered on merits.

(8) **Restrictions on remittances/utilisation of licences.**—The licences for raw materials, components and spares will be issued subject to such conditions or restrictions regarding utilisation or remittances as the licening authority may deem fit to impose.

(9) Amendment.—The requests for amendment in the value or the items permitted in the licence should also be made to the licensing authority concerned through the appropriate sponsoring authority. However, the requests for amendment of minor nature i.e. those not involving change in the value or items will be entertained direct by the licensing authority.

(10 Revalidation.—The procedure for making applications for revalidation of licences is given in Chapter X of this book.

SMALL SCALE INDUSTRIES

75. **Definition of Small Scale Industries.**—(1) Small Scale Industries will include all industrial units with a capital investment of not more than Rs. 7.50 lakhs irrespective of the number of persons employed. Capital investment for the purpose of this definition will mean investment in plant and machinery only. When calculating the value of plant and machinery, the original price paid by the owner, irrespective of whether the plant and machinery are new or second-hand, will be taken into account.

(2) In the case of ancillary units engaged in industries in Appendix 11 to this book, th capital investment limit of Rs. 7.50 lakhs referred to in sub-para (1) of this paragraph has been relaxed and raised up to Rs. 10 lakhs. Therefore, such units having fixed assets upto Rs. 10 lakhs instead of Rs. 7.50 lakhs as in the case of other industries will also be covered by the definition of small scale industries. Amongst these industries an ancillary unit will be a unit which produces parts, components, subassemblies and tooling for supply against known or anticipated demand of one or more large units manufacturing/assembling complete products and which is not a subsidiary to or controlled by any large units in regard to the negotiation of contracts for supply of its goods to any large unit. This shall not, however, preclude an ancillary unit from entering into an agreement with a large unit giving it the first option to take the former's output. The units which are set up primarily for replacement market will also fall within the scope of this criteria. The units manufacturing tools, jigs and fixtures will also be recognised as ancillary units.

76. Procedure and frequency for submission of applications for raw materials, components and spare parts.

(1) **Licensing authorities.**—The licensing authority concerned in the case of small scale industrial units will be the regional licensing authority in whose teritorial jurisdiction the factory of the actual user is located irrespective of the fact whether the licensing in respect of any item applied for is centralised with any particular licensing auhority. The licences for import from rupee payment area to the small scale unit will also be issued by the concerned regional licensing authority. However, in the case of textile engineering industries, hosiery and powerlooms in the small scale sector, the licensing authority will be the Joint Chief Controller of Imports and Exports, Bombay.

(2) **Sponsoring authorities.**—The sponsoring authority in the case of small scale industrial units is the respective State Director of Industries, except that in the case of the following industries in the small scale sector, the sponsoring authorities will be as indicated against each :—

Industry	Sponsoring authority.
(i) Textile engineering industry, hosiery industry and powerlooms industry.	Textile Commissioner, Bombay.
(ii) Handloom industry.	State Director of Handloom.
(iii) Fishery industry.	State Director of Fisheries.
(iv) Fruit and vegetable preservation industry.	Director of Marketing and Inspection, Ministry of Food and Agriculture, Government of India, Nagpur.
(v) Coffee industry.	Chairman, Coffee Board, Bangalore.
(vi) Jute and rope industry.	Jute Commissioner, Calcutta.
(vii) Pharmaceutical industry.	State Druge Control Authorities as given in Appendix (12) to this book.
(viii) Coir industry.	Chairman, Coir Board, Ernakulam.

(3) **Form of application.**—The prescribed form of application for licence for import of raw materials, components and spare parts, to be used by small scale units, is Form 'B' as given in this Book. This is an application-cum-recommendation Form, having three Parts. Parts I & II are to be filled in by the applicant. Part III will contain the recommendation of the sponsoring authority, and it will be filled in by the sponsoring authority in cases where applications for import licences are required to be made through such authorities. It should be carefully noted that the system under which the actual users were required to obtain separate essentiality certificates from the Directors of Industries or other sponsoring authorities has been dispensed with from April 1965—March 1966 period, and the actual users will not now be required to get essentiality certificates. In cases where the applications for licences are to be made through the sponsoring authorities, the sponsoring authorities will record their recommendation in Part III of the prescribed application form and forward the application to the licensing authority concerned for necessary action.

(4) Applications for licences should be submitted in the prescribed form. Only one copy of the application should be submitted, except that, in cases where an application is required to be made through the sponsoring authority, it should be sent in duplicate. The applicants should give, in their import applications, full details of the goods applied for, their ITC classification, the value/quantity in respect of each item and the end

use for which the goods are required. The application should be accompanied with the following:

(i) Treasury Challan/Receipt of Rs. 50/- towards application fees, irrespective of the value of goods applied for.

(ii) Required number of copies of the list of items sought to be imported as indicated in sub paragraph 70(2)(b).

(iii) Any other documents/information considered necessary or required in terms of the provisions of this Book or the relevant Import Trade Control Policy Book or any Public Notice/ issued in this regard.

(5) **Consolidated applications.**—An actual user in the small scale sector should make a consolidated application for an import licence covering the requirements of the unit in respect of raw materials, components and spare parts including spare parts of machine tools, but excluding items licensable by the Iron & Steel Controller. No separate application should be made for spare parts.

Note.—Where an actual user has to import goods through different Agents by obtaining Letters of Authority issued in favour of such Agents, the applications for licence should be accompanied by separate lists of goods to be imported through each Agent. In such cases, an actual user can also make separate applications for licences in respect of goods to be imported by him through different Agents.

(6) **Priority industries.**—(a) Requirements of raw materials, components and spares of S.S.I. units engaged in the priority industries listed in Appendix 26 will be met on a continuing basis. Thus, there will be no last date for submission of applications by these units.

(b) The existing S S.I. units can apply for import licences for raw materials, components and spares after utilising the previous set of licences for raw materials, components and spares to the extent of 90 per cent by way of opening letter of credit or 60 per cent by way of actual importation. Every time, an application for licence is made, it should cover six months' requirements of the unit. Along with each application, the applicant should produce evidence showing utilisation of the previous set of licences in the form of original or photostat of the exchange control or customs copy of the licence(s) as the case may be.

(c) Applications for import licences for raw materials, components and spares should be made by the existing S.S.I. units to the regional licensing authorities concerned direct and not through the sponsoring authorities.

(7) **New units engaged in priority industries.**—(a) The new units in the small scale sector will be those to whom no import licences for raw materials, components and spares have been issued for the period April 1966—March 1967, and who have got the requisite machinery installed.

(b) Such units should make their first application for the import of raw materials, components and spares to meet their six months' requirements. The applications should be made to the regional licensing authority concerned through the respective sponsoring authority.

(c) The sponsoring authority will forward the application with his recommendation to the Development Commissioner (Small Scale Industries), New Delhi. The D.C. (S.S.I.), New Delhi will send the application to the concerned regional licensing authority with his recommendation. The application will be considered by the licensing authority for the value certified by the D.C. (S.S.I.), New Delhi.

(d) The applications for the second and subsequent licences, each covering six months' requirements, may be made by the new units to the regional licensing authority direct, without routing them through the sponsoring authorities. Before making an application, the applicant should have utilised the immediately preceding set of licences to the extent of 90 per cent by way of opening letter of credit or 60 per cent by way of actual importation. The prescribed evidence regarding utilisation of the previous set of licences should be furnished with the application.

(8) **Industries other than priority industries.**—(a) The existing units in the small scale sector engaged in industries oher than the priority industries should make their import applications for raw materials, components and spares to the licensing authorities concerned direct, and not through the sponsoring authorities. The application should cover the annual requirements of the applicant unit in respect of raw materials, components and spares.

(b) There will be no last date for submission of applications. Such units can apply for their licences for raw materials, components and spares for the period April 1967—March 1968 after they have utilised their licences for raw materials, components and spares for the period April 1966—March 1967 to the extent of 90 per cent by way of opening letter of credit or 60 per cent by way of actual importation. The prescribed evidence showing the utilisation of the licences for April 1966—March 1967 should be furnished along with the application.

(c) The new units should make their applications for raw materials, components and spares for the year April 1967—March 1968 to the regional licensing authority concerned, through their respective sponsoring authorities. There will be no last date for submission of applications.

(d) Applications for import of raw materials, components and spares for the licensing periods subsequent to April 1967—March 1968 period will be made by industries other than priority industries in terms of the provisions of the relevant Import policy to be announced from time to time.

77. **Processing of applications and basis of licensing.**—(1) The licensing authorities will consider the applications having regard to the following factors :—

(i) recommendation of the sponsoring authority, wherever necessary;

(ii) recommendation of the Development Commissioner, Small Scale Industries, wherever necessary;

(iii) availability of foreign exchange or other monetary ceilings;

(iv) the stocks held and expected arrivals against the licences in hand on the date of application of the licence;

(v) the quantity of goods or its substitutes likely to be made available through indigenous sources or other commercial channels;

(vi) past imports/past consumption of the item in question by the applicant;

(vii) the installed capacity, actual production during the previous licensing period and estimated production; and

(viii) any fall in production on account of circumstances such as break-down of machinery, labour relations, want of funds etc.

(2) In cases where import applications are required to be made through the sponsoring authorities, the sponsoring authority will prepare four copies of his recommendation in each case in Part III of the application. Of these 4 copies, one copy will be sent by him to the applicant, one will be retained in his own office and two copies will be sent to the licensing authority along with one copy of the application and the treasury challan furnished by the party. In his recommendation for the licence, the sponsoring authority will indicate a separate value for raw materials and components and a separate value for spares. Wherever necessary in terms of the import policy in force, the application will be forwarded by the sponsoring authority through the Development Commissioner, (SSI), New Delhi.

(3) In order to discourage new industries for the manufacture of items for which adequate capacity exists in the country, and to ensure rational growth in the Small Scale Sector, the sponsoring authority will not recommend a licence on an application from new unit for the import of materials required in the manufacture of an end-product which is banned in terms of the relevant Import Trade Control Policy in force from time to time.

(4) In respect of applications for import licences, which are required to be routed through the sponsoring authorities to the licensing authorities, the sponsoring authorities will make their recommendations for licences subject to the following :—

(a) if the sponsoring authority considers a banned or non-licensable item as essential for particular applicant or end-product, he will refer such cases for advice to the DC(SSI) before recommending the licence for such item. In the office of the DC(SSI) such references from the sponsoring authorities will be placed before a Committee (called the SSI Committee) consisting of the representatives of the Directorate General of Technical Development and the DC(SSI). Whenever necessary the sponsoring authority concerned may also be invited to attend the meeting of the SSI Committee. The minutes of the meeting of the Committee will be circulated to the sponsoring authorities and the licensing authorities. The sponsoring authorities will recommend licences for such items on the basis of the recommendations made by the said Committee. If any items is licensable to actual users in consultation with any other technical authority, the sponsoring authority will consult such technical authority before recommending the licences and an endorsement to this effect will be made in the recommendation for licence. If, for any reasons, the sponsoring authority

recommends a licence for any of such items without obtaining the necessary clearance from the S.S.I. Committee or the technical authority concerned, as the case may be, the licensing authority may refuse the licence for such item(s) under intimation to the sponsoring authority concerned;

(b) In the case of items which are permissible in terms of the relevant Import Trade Control Policy for a specified end-product only, the sponsoring authority will ensure that the licences are recommended for items permissible for the specified end-product; otherwise the licensing authority may disallow the item under intimation to the sponsoring authority concerned. If the sponsoring authority considers such item as essential for any other end-product, he may obtain clearance from the SSI Committee before recommending the licence;

(c) in the case of items for which the requirements are to be met by actual users through an approved agency such as the State Trading Corporation, the sponsoring authority will recommend a licence only if the said agency is not in a position to supply the goods within a reasonable period. A certificate to this effect will also be given by the sponsoring authority in his recommendation for licence; and

(d) in cases where the sponsoring authority recommends any new item to actual users, it will be his responsibility to see that the c.i.f. price quoted by the applicant in his application is correct. For this purpose the sponsoring authority will either ask the applicant to produce the proforma invoices or he will compare the c.i.f. price quoted by the applicant with the price for the same item quoted by other parties.

(5) On receipt of the application, the licensing authority will check up entries in the application form inicluding the I.V.C. Number and the treasury challan. If any deficiency is found therein it will be communicated by the licensing authority to the applicant giving him a specified time to make up the deficiencies. In the case of applications having no deficiency, the import licence or the rejection letter as the sase may be, will be issued to the applicants by the licensing authority. In cases where the applications for licences are received through the sponsoring authorities, the licensing authority will send an intimation of the licence or the rejection letter, as the case may be, to the sponsoring authority concerned, by sending back to such authority one copy of his recommendation indicating the action taken thereon. In all other cases also, where applications for licences are received direct by the licensing authorities, the licensing authorities will send intimation to the sponsoring authorities concerned about the licences issued.

(6) **Consolidated licences.**—Import licences for raw materials, components and spares will be consolidated licences except that in the following types of cases, separate licences will be issued :—

(a) Where the goods are sought to be imported by the Actual User through different agents on the basis of letters of authority; and

(b) Where the mode of payment is different, such as free foreign exchance, rupee etc.

(c) Where goods are to be imported through different ports.

(7) The State Director of Industries and other sponsoring authorities will send abstracts of their recommendations periodically to the DC(SSI) or to the controlling authority concerned in a form which will be decided by the DC(SSI)/controlling authority in consultation with the Directors of Industries/sponsoring authorities. Through such abstracts, the DC(SSI)/controlling authority will undertake ex-post facto checks of the recommendations made by the Directors of Industries/sponsoring authorities with a view to see whether they have followed the overall import policy and the general directions given to them.

(8) In the case of industries sponsored by the State Drugs Controllers, State Directors of Fisheries and State Directors of Handloom in the small scale sector, the functions of the DC(SSI), will be performed by the Drugs Controller of India, New Delhi, Fisheries Development Adviser to the Government of India, Ministry of Food and Agriculture, New Delhi and the Textile Commissioner, Bombay respectively.

78. The specific role of the organisations of the DC(SSI), controlling authorities, the sponsoring authorities and the licensing-authorities in the processing of applications and grant of licences to S.S.I. Units is summarised below:—

(a) **Role of the DC(SSI) and other controlling authorities**

(i) To distribute ceiling to the States on the basis laid down, in case it is decided to allocate the ceiling to the sponsoring authorities;

(ii) To give general directions to the sponsoring authorities as may be required from time to time;

(iii) To convene meetings of the SSI Committee and circulate its recommendations; (For DC, SSI only).

(iv) To undertake ex-*post-facto* check of the recommendations made by the sponsoring authorities with a view to see whether the sponsoring authorities have followed the over-all important policy and the general directions given to them

(v) To co-ordinate the work of licensing to S.S.I. Units between the licensing authorities and the sponsoring authorities.

(b) **Role of the Sponsoring authorities :**

(i) To recommend applications for grant of licences and forward the same to the licensing authority concerned in accordance with the prescribed procedure in cases where the import applications are required to be routed through the sponsoring authorities.

(ii) To ensure compliance with the general directions issued by the DC (SSI) or controlling authority and the policy laid down in the matter of assessment of requirements;

(iii) to devise a policy to govern recommendations in cases other than those covered by (ii) above;

(iv) To obtain clearance from the S.S.I. Committee and the technical authorities wherever necessary, before recommending licences;

(v) To ensure that in respect of items available from the STC etc. the licences are recommended only after obtaining the necessary clearance from the STC etc.;

(vi) To ensure that recommendations do not exceed the ceiling allotted to the sponsoring authority and also to see that a small cushion is kept in reserve for implementing decisions in appeals in the event of the ceilings being allocated to the sponsoring authorities.

(vii) To send an abstract of the recommendations made to the DC(SSI) or controlling authority.

(viii) To undertake ex-post-check of the industrial units to see whether the imported material has been properly utilised and to report cases involving misuse of such material or breach of conditions of licences to the licensing authority and C.C.I. & E.

c) **Role of the licensing authorities :**

(i) To issue licences on the basis of the recommendations of the sponsoring authorities where such recommendations are in consonance with the policy/procedure in force;

(ii) In the case of rejections, to communicate reasons thereof to the applicants;

(iii) To take penal action against the licensees or importers for violations of import and export control regulations;

(iv) To watch the utilisation of ceilings.

79. **Minimum value of A.U. licences and import through State—Sponsored Corporations.**—(1) In order that it may not be uneconomical for the licensees in the small scale sector to effect imports against small value licences, it has been decided that the minimum value for which consolidated licences for raw materials, components and spares will be issued to Small Scale Units for their annual entitlements will be Rs. 800 unless it is considered that the certified requirements of the unit will be less than this value. In the latter case the licences will be issued for the actual certified requirements. In cases where the licences are issued on half yearly entitlement, the minimum value of a consolidated licence will be Rs. 400 unless the certified requirements is less. The sponsoring authorities should keep this decision in view while recommending licences to small scale units. It may, however, be noted that in cases where separate licences are issued to an actual user for import of goods through different agents or at different ports the concesison of minimum value licences will not be available separately for each licence, but the minimum value in such cases will be the combined value of all the licences issued to an actual user for import of raw materials, components and spares.

(2) The State Directors of Industries will also be authorised to pool together the small requirements of actual users in the small scale sector in respect of raw materials, components and spares in cases where such requirements are below Rs. 400 in each case and obtain a consolidated licence in the name of the State sponsored Corporation. Such licences in the name of State sponsored corporation will be issued by the licensing

authority on the recommendation of the Director of Industries concerned subject to the condition that the goods imported against such licences shall be distributed by the State Sponsored Corporation only to the actual users applicants concerned under the directions of the State Director of Industries and on a price to be fixed by the State Government concerned.

80. **Issue of Bulk actual users licences to Co-operative Societies/ Associations for the requirements of their members.**—(1) The licensing authority may consider an application for the grant of an actual user licence for raw materials, components and spare parts from an Industrial Cooperative Society for import of goods required by the individual members of the society in the manufacturing process in their respective factories/units, on the recommendation of the sponsoring authority concerned. The applications for such licences should be made in the prescribed 'from B' through the sponsoring authority concerned, and licences will be issued by the licensing authority on the recommendation of the sponsoring authority within the monetary ceiling intimated to the sponsoring authority.

(2) For the purpose of this provision, an Industrial Co-operative Society will mean any cooperative society in the industrial sector registered under the Co-operative Societies Act applicable to the State where the Society is situated and includes Co-operative Societies undertaking production and sale activities or service activities as well as Federal societies.

(3) Under the provisions of this paragraph, the eligible societies should make consolidated applications for actual users, licences in the prescribed manner through the sponsoring authority concerned, with the following additional documents:—

(i) List of members/member units with the requirements of each unit;

(ii) Income Tax Verification registration or exemption number of each member;

(iii) An undertaking by the society to the effect that the goods shall be distributed only to its members whose names and addresses are given in the list attached to the application for licences and they shall utilise the goods in question in their respective factories and that hey shall abide by the terms and conditions subject to which a licence is granted;

(iv) An undertaking on plain paper from each member of the society to the effect that the goods supplied to him shall be used by him only in his factory and no portion thereof shall be sold to or be permitted to be utilised by any other party.

(4) A licence granted under these provisions will be issued subject to the following condition, apart from any other conditions imposed or deemed to have been imposed on the licence under clause 5 of the Imports (Control) Order, 1955 dated 7th December, 1955:—

"The goods imported under this licence shall be used only in the factories of the bonafide members of the licensee Society and no portion thereof shall be sold to or permitted to be utilised by any other party.

(5) The licensing authority may also take a bond from the licensee for complying with the terms and condition of the licence granted or the undertaking furnished by the applicant.

(6) Under the provisions of this paragraph, applications for the grant of licences may also be considered from the Associations of actual users for the import of raw materials/components anad spare parts for use by the individual members of the Association in their respective factories, provided such Associations are recognised for the grant of such licences in terms of the relevant policy in force. If such Association have any genuine difficulty in producing the Income-tax Verification Registration/ Exemption Numbers, in respect of their individual members, the licencing authority may dispose of the application for licence without insisting on the production of the Income-tax Verification Registration/Exemption Number for individual members, and the licence, if otherwise due, may be granted advising the Association to produce the I.V.C. Numbers by the end of the licensing period concerned or within 6 months from the date of issue of the licence, whichever is later.

81. **Registration of Small Scale Industries.**—(1) A Scheme for the registration of Small Scale Industries was introduced in the year 1960. Under the Scheme, all the Small Scale Industries consuming imported raw materials and components, non-ferrous metals and Steel items were required to get themselves registered with the respective State Directors of Industries by the 31st March, 1961.

(2) The Registration number allotted to the Small Scale Industries under the scheme is required to be quoted by them in their applications for import licences or for allotment of non-ferrous metals and steel. In the absence of the Registration Number, the application is liable to be summarily rejected.

82. Import of machinery, machine tools and instruments by Actual Users.

(1) Import of machinery and machine tools.—Applications from Actual Users for the grant of licences for import of machinery upto specified value limits will be considered by the licensing authorities concerned on the recommendations of the sponsoring authorities, against the monetary ceilings earmarked or allocated for raw materials, components and spares. The value limits for this purpose has been fixed as under:—

(i) Rs. 16,000/- for units borne on the registers of the D.G.T.D.

(ii) Rs. 8,000/- for small scale units.

(iii) Rs.8,000/- for other Actual Users referred to in paragraph 119(5) of this Book.

Note No. 1:—In the case of small scale units, if the monetary ceiling for import of raw materials, components and spares is allocated to the sponsoring authorities, it will be open to such authorities to recommend licences, within such ceiling, for the import of machinery and machine tools for a value exceeding Rs. 8,000/- but not exceeding Rs. 15,000/- in each case.

Note No. 2:—It may be clarified that the value limits as indicated in this sub para are in respect of the application as a whole and not in respect of each item of machine or machine tools applied for.

Note No. 3:—Applicants should also refer to procedure for import of machinery and machine tools as given in Chapter VI of this Book.

(2) Applications for import of machine and machine tools upto the value limits indicated in sub para (1) above should be made in the form prescribed for raw materials, components and spares, i.e. form "C" for units borne on the books of the D.G.T.D. and form "B" for other units. There is no specified date by which these applications should be submitted.

(3) The applications should be made through the sponsoring authorities concerned to the licensing authorities concerned. In his recommendation, the sponsoring authority will also indicate (i) whether the machinery sought to be imported is for replacement, balancing, modernisation purposes and (ii) whether the machinery sought to be imported is for new installation, in which case whether it is needed for a defence and/or export-oriented industry. The applications will be considered only for the import of machinery and machine tools and preference should be given for imports required for replacement and balancing purposes in the case of exising units and for Defence and Export oriented industries in the case of new units. The sponsoring authorities will recommend licences for only such of the machinery or machine tools as are not available from indigenous sources or other commercial channels. In the case of small scale units, the indigenous clearance will be obtained by the sponsoring authorities from the S.S.I. Committee in the office of the D.C.(SSI), New Delhi before recommending the licence, and a certificate to this effect will be recorded by the sponsoring authority in its recommendation for the licence.

(4) Applications for import of machinery and machine tools exceeding the limits indicated in this paragraph should be made in the form and manner prescribed for submission of applications under the Capital Goods Scheme in Chapter VI of this Book.

(5) Imoprt of instruments.—The provisions made in sub paras (1) to (4) of this paragraph, in regard to the import of machinery and machine tools. will also apply to the import of testing and measuring instruments. Applications for import of testing and measuring instruments upto the value limits indicated in sub-para (1) above will be considered by the licensing authorities concerned on the recommendations of the sponsoring authorities against the monetary ceilings earmarked for raw materials, components and spares and such applications will be made in the form prescribed for raw materials, components and spares. Applications for these goods for values exceeding the aforesaid limits will be considered by the Chief Controller of Imports & Exports and such applications should be made in the form and manner prescribed for submission of applications under the Capital Goods Scheme in Chapter VI of this Book.

83. **Conditions of Actual User licences.**—(1) Licences granted will be issued subject to the following condition :—

> "This licence is issued subject to the condition that all items of goods imported under it shall be used only in the licence holder's factory at the address shown in the application against which the licence is issued, or may be processed in the factory

of another manufacturing unit, but no portion thereof shall be sold to any other party or utilized or permitted to be used in any other manner. The goods so processed in another factory shall, however, be utilised in the manufacturing processes undertaken by the licensee. The licensee shall maintain a proper account of consumption and utilization of the goods imported against the licence."

(2) It has been decided that in the case of pharmaceutical units not borne on the registers of the Directorate General of Technical Development, the "loan licensees" under the Drugs Act, who are permitted to get their drugs processed by other factories licensed under the Drugs Act, should continue to get actual user licences for their raw materials if otherwise permissible. Such licences will not bear the condition regarding utilisation of the imported raw materials in the factory of the licensee and a suitable endorsement will be made on such licences permitting the "loan licensees" to get their goods processed in factories licensed under the Drugs Act.

(3) The above conditions will be addition to any other conditions imposed or deemed to have been imposed on each licence under Clause 5 of the Imports (Control) Order 1955 dated 7th December, 1955.

84. Import of raw-materials, components, spare parts and small tools against actual user licences granted to industries in scheduled and non-scheduled sectors including small scale industries.

(1) With a view to providing flexibility to the industry in the use of foreign exchange released to it, the holders of actual user licences for raw-materials/components/spare parts may, in their discretion, utilise their licences in the manner indicated below, without obtaining any specific endorsement to this effect from the licensing authorities:—

(a) the licensee may import any item(s) covered by his licence, without any limit of quantity or value, provided the total import does not exceed the overall face value of the licence. However, if in respect of any item(s), the licence indicates quantity limit, and 'quantity' is also a limiting factor, and/or a value limit is indicated for any item(s) and 'value' is the limiting factor, or if there is any face value restriction for import of any item(s) covered by the licence, the licensee may import such item(s) more in value or quantity, as the case may be, not exceeding 25 per cent of the specified value or quantitative limit, provided the total import does not exceed the overall face value of the licence.

(b) the licensee may import 'permissible' spare parts and small tools, including spare parts of machine tools, not covered by the licence, but required for the purpose of his factory, provided that the value of such imports is within the overall face value of the licence and it does not exceed 25 per cent of the total value of the licence. The import of banned items of spare parts and small tools cannot be made under this

provision. For this purpose, 'permissible' spare parts/small tools have been defined as under:—

(i) the permissible spare parts are those which are required for the plant, machinery and equipment installed or used in the licence holder's factory, but spare parts which are specified elsewhere in the Import Trade Control Policy Book, such as Ball bearings, bolts and nuts etc., will not be allowed to be imported;

(ii) the permissible small tools are those which are classified under Sr. No. 20 of Part II of the I.T.C. Schedule and are shown as licensable to actual users in the relevant Import Trade Control Policy Book excluding those specified in Appendix 15 of the said Policy Book;

(iii) the permissible spare parts of machine tools are those which are required for the machine tools installed or used in the licence holder's factory. The import of spare parts of machine tools specified in Schedule 'B' of Appendix 11 to the relevant Import Trade Control Policy Book will not be allowed.

(c) within the 25 per cent of total value indicated in (b) above, the licensee may utilise upto 5 per cent of the total value of the licence or Rs. 4,000 whichever is less, for the import of even the spares which are specified elsewhere in the Import Trade Control Policy Book, but which are not banned and are required by the licensee for the plant, machinery and equipment installed or used in his factory.

(2) The provisions of sub-para (1) of this para will be applicable to actual user licences for raw materials/components/spare parts only and not to licences for machinery.

(3) For the purpose of application of the provisions of sub-para (1) of this para, the following points are clarified:—

(i) these provisions will also apply to import licences issued to actual users under the import policy for registered exporters;

(ii) these provisions will also be applicable to licences for import of newsprint and art paper issued to actual users;

(iii) the relevant policy for the purpose of determining whether an item is permissible or not, for availing of these provisions, will be the policy in force at the time of shipment of the goods.

(4) The provisions of this paragraph will not be applicable to licences issued by the Iron & Steel Control Organisation.

(5) The provisions of this paragraph will not be applicable to import licences issued under the National Defence Remittance Scheme.

85. Conversion of actual user licences for raw materials, components, spares and non-ferrous metals for importing steel aand vice versa.

(1) With a view to providing greater flexibility to actual users (scheduled and non-scheduled industries including small scale) in the utilisation of foreign-exchange, the holders of actual user licences for raw materials, components, spares, non-ferrous metals and steel issued against free foreign exchange may, in their discretion, utilise their licences in the manner indicated below:—

(i) the licensee may import steel against his import licence for raw materials, components, spares and non-ferrous metals, within the face value of the licence, provided that the item to be imported is that for which the licensee holds a valid A.U. import licence at the time of shipment of the goods, subject to the following further conditions:—

(a) the item to be imported is not banned in terms of the import policy in force at the time of shipment;

(b) the item to be imported is not subject to any value or quantitative restrictions; and

(c) the import of stainless steel sheets of any specifications will will not be permitted under this facility.

(ii) the licensee may import any item of raw-materials, components, spares and non-ferrous metals against his licence for steel, within the face value of the licence, provided that the item to be imported is that for which the licensee holds a valid A.U. import licence at the time of shipment of the goods, subject to the following further conditions:—

(a) the item to be imported is not banned in terms of the import policy in force at the time of shipment; and

(b) the item to be imported is not subject to any value or quantitative restriction.

(2) Import licences issued to actual users against free foreign exchange for the import of raw materials, spares, components, non-ferrous metals and steel in terms of the provisions of this paragraph will automatically be valid for utilisation in the manner indicated in sub-para (1) of this paragraph. It will not be necessary for the licensee to obtain a specified endorsement from the licensing authority for this purpose. At the time of clearance, the licensee will be required to produce to the Customs authorities the necessary evidence to enable to allow import of items permissible in terms of sub-para (1) of this paragraph.

86. Limiting factor.

(1) Import licences to actual users for raw materials, components and spare parts will be issued subect to either 'value' or 'quantity' or both 'value and quantity' as limiting factor. Where 'value' or 'quantity' or 'both value and quantity' is limiting factor, it will not be open to a licensee to import goods in excess of the specified value or quantitative limit(s) as the case may be, subject, however, to the facility available to actual users in terms of the provisions of paragraph 84 of this Book.

(2) Import licences issued to actual users for import of capital goods/machinery and equipment will be issued subject to both 'quantity and value' as limiting factor. The concession regarding flexibility as provided

in paragraph 84 and 85 of this Book will not be available for such licences and it will not be open to the licensee to import any item in excess of the quantity limit specified for that item in the licence even if the excess import is within the overall value of the licence.

87. **Grant of emergency licences for spares.**—(1) Applications for the grant of licences for import of emergency spare parts i.e. spare parts required on an immediate basis to overcome an emergency breakdown of production machinery including the breakdown which is unavoidable for technical reasons in the course of a month's period, will also be considered from actual users of all categories as and when received. This facility will also apply to applications for emergency spare parts for machine tools. The aplications should be made to the licensing authority concerned. Such applications will be dealt with in terms of the relevant import policy in force.

(2) Applications for import of emergency spares need not be routed through the sponsority authorities. The applicants should produce a certificate from a qualified engineer of a production machinery to the effect that the spare parts applied for are required on immediate basis to overcome an emergency breakdown or a breakdown which is unavoidable for technical reasons in the course of the next one month. In the case of small scale units, who are not in a position to produce a certificate from a qualified engineer, a certificate issued to them by small Industries Service Institute may also be accepted.

(3) The applicants should indicate in their import applications, the country from which the original equipment was imported as also the country from which the spare parts are sought to be imported. The application should be boldly stamped on top in red ink as "Application for Emergency Spares". The envelope should also be similarly stamped. There is no last date for submission of such applications.

(4) The maximum value limit upto which import licences under this provision may be issued to a unit in the course of a licensing period will be as under :—

(a) Rs. 10,000/- in the case of units borne on the books of the DGTD.

(b) Rs. 4000/- in the case of other units.

In each application, the applicant should indicate the value of emergency licences already obtained by him during the same licensing period.

88. **Issue of import licences to actual users for back period.**—(1) Where an application for import licence from an actual user is not disposed of during the licensing period concerned on account of any delay or laches on the part of the applicant, no licence against such application will be issued after the expiry of the licensing period or after the close of the monetary ceiling. However, if the delay in the disposal of the application is on the part of the licensing authority or sponsoring authority or any other Government Department, the application will be considered on merits.

(2) While dealing with an import application for a back period in appeal or otherwise, the authorities concerned will consider such an application having regard to the general principles laid down, that is, availability of monetary ceiling, availability of goods applied for from indigenous

sources or other commercial channels, essentiality of the goods applied for, stocks held by the applicant and expected arrivals against licences in hand, past imports and consumption of the item(s) in question by the applicant, actual production during the preceding year, estimated production and other factors considered relevant and necessary.

(3) In cases where the applications for licences are not disposed of during the licensing period concerned or before the close of the monetary ceiling on account of delay on the part of the sponsoring authority or the licensing authority or any other Government Department, the value of the licences issued in such cases will be treated as first charge on the monetary ceiling to be allocated to the concerned sponsoring authority for the next licensing period and the necessary intimation in this regard will be given to the sponsoring authority.

89. **Misuse of A.U. licences.**—(1) It has been noticed that in some cases, the actual users divert to other channels/uses the raw materials or components etc. licensed to them for use in their factories. Attention of the actual users is drawn to the condition which is endorsed upon each licence to the effect that the goods shall be utilised in the licence holder's factory only for the purpose for which they are imported, and no portion thereof shall be sold to or permitted to be utilised by any other party. Steps are taken to ensure that this condition is strictly complied with. If any licensee infringes the aforesaid condition, no further assistance will be given to him for the import of goods in the category of actual users, without prejudice to any other action which may be taken against him under the Imports and Exports (Control) Act, 1947 and the Imports (Control) Order, 1955, dated 7th December, 1955.

(2) Similarly, where any imported goods are allotted to an actual user through the State Trading Corporation of India or any other recognised agency for use in the actual user's factory, it will not be open to the actual user concerned to divert such goods to other channels/uses or to allow any other party to utilise the said goods. If any actual user is found to have misused the goods so allotted to him, no further assistance will be given to him or any allotment made to him in future, without prejudice to any other action which may be taken against him under the Imports and Exports (Control) Act, 1947 and the Order made thereunder.

(3) The actual user should maintain a proper account of the consumption and utilisation of the imported goods in the prescribed proforma as given in Appendix 13 to this book. In the event of his failure to maintain proper account in this manner in respect of any goods imported against actual user licences or allotted to the actual users from the State Trading Corporation of India etc., the applications for issue of further licences or allotments will be liable to rejection without prejudice to any other action that may be taken against him. It will be the responsibility of the actual user to satisfy the sponsoring as well as the licensing authorities that he has maintained a proper account of consumption and utilisation of the imported materials and has fully complied with the conditions subject to which the imports or allotments of imported goods were allowed to him.

(4) The Directors of Industries and other sponsoring authorities will check up whether the imported material has been properly utilised by the licensee. In cases involving contravention of conditions of licences or

allotments of imported goods, the reports will be sent by the Directors of Industries and other sponsoring authorities to the licensing authorities concerned to enable the latter to initiate action against the parties concerned. For this purpose it is essential for all actual users wishing to take advantage of the import of goods as raw materials, components, spare parts, accessories.—or machineries, etc., to maintain accurate and up-to-date records of stocks, procurement and consumption of articles used by them in their industrial undertakings as provided in sub-para (3) above.

NON-INDUSTRIAL ACTUAL USERS

89A. **Grant of Actual User licences to certain specified categories of applicants.**—(1) Normally Laundries, Garages, Repair shops, Hotels are not treated as actual users as they are not engaged in the industrial production of any item. Such parties are required to meet their requirements from imports effected by established importers and goods available from the indineous manufacturers. However, the State Directors of Industries may entertain applications from processing and servicing units like Laundries, Garages etc. for the import of machinery, machine tools or equipment required for replacement and maintenance purposes only. The licensing authority will consider such applications for essential machinery, machine tools or equipments which are not produced indigenously and are recommended by the sponsoring authority. The sponsoring authority before recommending the licence, should obtain indigenous clearance from the S.S.I. Committee in the office of the D.C. (SSI). The applications for licenses in such cases should be made to the regional licensing authorities concerned through the sponsoring auhority in the prescribed form 'B' as given in this book.

(2) The units engaged in chemical analysis and testing of various materials manuftceured by other industrial units, are not treated as actual users as they are not producing units. However, the State Director of Industries may entertain applications for licences from such units for the import of essential machinery, machine tools or equipments which are not produced indigenously. The licensing authority will consider such applications on the basis of the recommendation of the sponsoring authority. The sponsoring authority should obtain indigenous clearance from the DC(SSI), New Delhi before recommending a licence. The applications should be forwarded by the sponsoring authorities with their recommendations to the regional licensing authorities concerned. Such applications should be made in Form 'B', given in Appendix 3.

(3) The applications from Garment making industry for the import of spares and machines for replacement or expansion purposes and for setting up new units will be considered by the Joint Chief Controller of Imports and Exports Bombay on the basis of the recommendations made by the Textile Commissioner. Such applications should be made to the licensing authority through the Textile Commissioner in the prescribed form 'B' as given in this book.

(4) The parties who obtain supplies of drugs and medicines in bulk and are engaged in the process of re-packing and rebottling the drugs and medicines in small containers, are not covered by the definition of actual users as given in this book as they are not engaged in an industrial production. However, in terms of the Drugs and Cosmetics Act, 1940 the process

of manufacture includes the process of repacking or re-bottling of drugs. Also, persons or firms engaged in such activities are required to posses a licence under the said Act, and are also required to test the products either in their own laboratories or other approved laboratories. In view of this, the sponsoring authority concerned may entertain an application for licence from such parties for the import of materials required by them for repacking and re-bottling. The applications will be considered only from those parties who have a licence under the Drugs and Cosmetics Act, 1940 for the manufacture of re-packing of drugs. The application should be made by such parties in the form prescribed for the category of the actual user concerned through the sponsoring authority and licences will be issued by the licensing authority concerned on the basis of recommendation of the sponsoring authority.

(5) **Requirements of Newspaper establishments/publishers/printers of periodicals.**—Applications from newspapers establishments/publishers and/or printers of periodicals for import of newsprint and art paper will be considered in terms of the relevant import policy in force. Such applications should be made to the Chief Controlelr of Imports and Exports, New Delhi, through the Registrar for Newspapers for India, Ministry of Information and Broadcasting, New Delhi. The applications from newspaper establishments for specialised requirements will also be considered by the Chief Controller of Imports & Exports in terms of the relevant import policy in force. Applications should be made direct to the Chief Controller of Imports & Exports, New Delhi.

(6) Applications from Actual users for the import of proto-types will be considered by the licensing authority concerned on the basis of the recommendations of the sponsoring authority. The applications should be made through the sponsoring authorities concerned.

(7) If the monetary ceilings for raw materials, components and spares are allocated to the sponsoring authorities, the applications for licences referred to in this paragraph will be recommended by the sponsoring authority concerned within the ceiling allocated to it.

90. **Change in the name, constitution or ownership of actual user's business.**—(1) No approval of the Import Control authorities is necessary for effecting a change in the name, constitution or ownership of an actual user's business.

(2) However, the import licences being non-transferable except under and in acordance with the written permission of the licensing authority which granted the licence or of any other person empowered in this behalf by such authority, in view of the specific conditions regarding the use of imported materials as imposed on the licences granted to actual users. the following principles will apply in the event of the changes mentioned in sub-para (1) above :—

(a) *Change of name.*—Where an import licence has been issued to an actual user and before the importation of the goods against the said licence, there is a change in the name of the licensee actual user's manufacturing business without any change in the ownership of factory for which the said licence was issued, the licence holder can utilise the licence and import the goods for use in the factory in accordance with the

conditions of the licence. But the change in name should be intimated immediately by the actual user licensee to the licensing and sponsoring authorities concerned whether such change takes place before or after the importation of the goods.

(b) *Change in constitution or ownership.*—(i) Where an import licence has been issued to an actual user and before the importation of the goods against the said licence there is a change in the constitution/ownership of the licensee actual user's manufacturing business/factory, the reconstituted concerned or the new owner of the business as the case may be, not being the licence holder, cannot operate upon the said licence unless the licence is also transferred in his favour. In such cases, the old and the new owners of the factory for which the licence was issued, should make a joint application to the licensing authority concerned for permission to transfer the licence in favour of the reconstituted concern or the new owner in terms of sub-clause 5(3)(i) of the Imports (Control) Order, 1955, dated the 7th December, 1955. The application should be supported by documentary evidence showing the transfer of the business/factory and the particulars of the established importer quotas, if any, possessed by the new owner. The licensing authority will consider the application for transfer of licence and grant the transfer in favour of the reconstituted concern or the new owner provided the reconstituted concern or the new owner of the factory is not suspended/debarred from the grant of the licence in question under the provisions of the Imports (Control) Order, 1955, dated the 7th December, 1955 and is otherwise eligible to the licence under para 257 of this book. After the written permission of the licensing authority, the reconstituted concern or the new owner will be entitled to operate upon the licence. If, in such a case, the name or the business mentioned in the licence has also undergone a change, the licensing authority while permitting the transfer, will also amend the name of the licence holder in the licence. The necessary intimation about the transfer will be sent to the sponsoring authority concerned.

(ii) If the change in constitution/ownership referred to in sub-para (i) above takes place after the importation of the goods against the said licence, the imported goods become part of the assets of the licensee actual user's manufacturing business/factory and they should be transferred by the licence holder along with his manufacturing business/factory to the reconstituted concern or the new owners as the case may be. The licensee should also give necessary intimation about the transfer to the licensing authority who had issued the licence against which the goods in question were imported and also to the sponsoring authority who had recommended the licence so that they may be in a positon to watch proper utilisation of the imported goods in the factory for which the import licence was issued.

(c) **Division of business.**—(i) Where an import licence has been granted to an actual user, and before the importation of the goods against the said licence, there is a division of the factory amongst the partners of the business, and the name of the business/factory as appearing in the licence is retained by one of the succeeding parties or none of them is allowed to use such name, the succeeding parties, not being the licence holders, cannot operate upon the said licence. In such cases also, joint application by all the succeeding parties should be made to the licensing authority concerned for re-issue of separate licences in their favour, in lieu of the original licence, in proportion to the portion of the factory taken over by each succeeding party, supported by documentary evidence showing the division of the business/factory and particulars of the established importer quota, if any, possessed by the succeeding parties. The licensing authority will consider the application in the same manner as to the case referred to in sub-para (b)(i) above and licences, if admissible, will be issued to the succeeding parties for the proportionate values as indicated above. The original licence surrendered by the parties will be retained by the licensing authority and cancelled. The necessary intimation will be sent about this to the sponsoring authority concerned.

(ii) If the division of the factory as referred to in sub-para (i) above, takes place after the importation of the goods against the said licence, the imported goods become part of the assets of the factory and they should be divided by the succeeding parties amongst themselves proportionate to the portion of the factory taken over by them under intimation to the licensing and sponsoring authority concerned so that they may be in a position to ensure proper utilisation of the imported goods by each of the succeeding units in the factory taken over by them from the original concerned.

(3) The applications for transfer in pursuance of the provisions of sub-paras 2(b)(i) and 2(c)(i) should be made to the licensing authority who had issued the licence against which the goods in question were imported and such application should be made through the sponsoring authority who had recommended the licence.

(4) If, as a result of the change in the constitution or ownership of a manufacturing business or division of manufacturing business, referred to in sub-para (2) of this paragraph, an existing manufacturing unit takes over either whole or part of any manufacturing business and the installed capacity of the existing units for the manufacture of any particular end-product is increased thereby, then in such cases, the existing unit should take over the manufacturing business in pursuance of the provisions of sub-para (2) of this paragraph only with the approval of the sponsoring authority concerned. The concerned sponsoring authority in such a case will be the sponsoring authority connected with the manufacturing business whose installed capacity is going to be increased. In such cases, the application for transfer made to the licensing authority under sub-paras 2(b) (i) and 2(c)(i) of this paragraph should also be supported by the recommendation of such concerned sponsoring authority.

(5) It may be clarified that the provisions of sub-paras (1) to (4) of this paragraph are applicable to cases where there is a change in the name, constitution or ownership of the manufacturing business/factory of an actual user concern or where there is a division of the manufacturning business/factory. These provisions have no application in cases where a part of the factory, or imported machinery, is sold by an actual user or where imported raw materials/components/spares are sold by an actual user without selling away his manufacturing business/factory for which the materials in question were allowed to be imported. Such sales of part of factory, or imported machinery, or imported raw materials/components/spares, amount to violation of conditions subject to which licences are granted to actual users. Therefore, the actual user should obtain the prior written permission of the Import Trade Control Authority of such sale explaining the circumstances in which the necessity of sale has arisen. In such cases, the imported goods will have to be sold by the actual user in favour of a party nominated by the Import Trade Control Authority and at the price fixed by him.

91. **Procedure for transfer of imported goods from one actual user to another.**—(1) Where, after importing goods against an actual user's licence, the actual user license finds that, for any reasons, he is not in a position to utilise the goods in accordance with the conditions of the licence under which the goods were imported, he should find another actual user and transfer the goods to the latter with the permission of the licensing authority who had issued the licence. The buyer of the goods in such cases should be an actual user requiring the goods in question for use in his industrial unit.

(2) If the actual user is not able to find a suitable buyer for the goods, he should approach the State Director of Industries or the sponsoring authority concerned, who may be in a position to suggest a buyer.

(3) The sale price of the goods in question should be settled between the seller and the buyer taking into account the following:—

(a) C.I.F. value of the imported goods;

(b) Customs duty paid;

(c) Landing and clearing charges paid;

(d) Transportation charges paid from the Customs port to the factory/godown of the seller.

(e) Other reasonable incidental charges incurred in relation to the imported goods in question. Such changes should not include expenses like demurrage, fines or penalty paid in respect of the goods.

(4) After settling the price, the buyer should make an application for permission to purchase the goods in question to the licensing authority who had issued the licence under which the goods were imported. Such application should be made through the sponsoring authority of the buyer actual user. The application should be made in the prescribed form *i.e.*, the form which the applicant had used if he had to apply for

an import licence for such goods. No application fee will be required to be on such applications. The application should be supported by a letter of consent of the seller to transfer the goods in question on the price settled between the parties. In the consent letter, the break-up of the sale price as indicated in sub-para (3) above should also be given.

(5) The sponsoring authority concerned will forward the application to the licensing authority concerned who will consider the same on meritshaving regard to the recommendations of the sponsoring authority. If the permission to transfer is granted, it shall be subject to the usual conditions applicable to actual user licences regarding utilisation of the imported goods. An intimation about the transfer will be given to the licensing authority under whose jurisdiction the buyer is situated and to the sponsoring authority of the seller actual user.

(6) Where any imported material has been allowed to an actual user through the State Trading Corporation or any other recognised agency and the allottee is not in a position to use the goods for the purpose for which the allotment was made, he cannot use the imported goods for a different purpose and in a manner otherwise than as declared by him in his application for such allotment or distribution or in any other documents submitted by him in support of such application. In such cases also, the allottee should find another actual user to use the goods for the purpose for which they were imported. The goods will be transferred to such person in the same manner as indicated in the above sub-paras.

92. **Import of printing machinery by actual users.**—The applications for the import of printing machinery in terms of the relevant policy in force should be made to the Chief Controller of Imports and Exports, New Delhi (Newsprint Cell) through the sponsoring authority concerned. Such applications should be made in form 'B' meant for import of raw materials, components and spares. The sponsoring authority will forward the application to the licensing authority with his recommendation in regard to the essentiality of the machinery sought to be imported. The sponsoring authority will record his recommendation in Part III of the application-*cum*-recommendation form and will also indicate therein whether the machinery is required for replacement or development purposes and whether the applicant is a quality printer or not.

93. **Fireworks industry.**—No applications for import of raw materials by the Fire Works Industry both in the scheduled and non-scheduled sectors for the manufacture of fire works will be entertained by the licensing authorities unless the applicants are in possession of a valid licence under the Explosive Act. The sponsoring authorities should not, therefore recommend an import licence in favour of fireworks industry if the applicant is not in possession of a valid licence under the Explosives Act. In his recommendation for the licence, the sponsoring authority should indicate that the applicant is in possession of the required licence under the Explosives Act. Where applications for licences are required to be sent by actual users to the licensing authorities direct, the applicants should produce, with their import applications, documentary evidence to the effect that they are in possession of a valid licence under the Explosives Act.

94. **Import of Testing equipment.**—The small scale industries desiring to import Testing equipment against their licences for raw materials, components and spare parts may apply to the licensing authority concerned for a suitable endorsement on their licences for this purpose. The licensing authority will consider the request on merits and may allow import of Testing equipment upto 10 per cent. of the face value of the licence for raw materials components and spare parts provided the total value of such import, in each case does not exceed Rs. 16,000/- in the case of a unit borne on the books of the D.G.T.D. and Rs. 8,000/- in the case of other units. Testing equipments of banned type will not be permitted under this facility.

95. **Import of spare parts by assemblers.**—Manufacturers/assemblers who have a manufacturing programme for complete machinery can, if they so desire, use a part of the licence for component parts held by them for the import of spare parts for which there is no indigenous angle and/or for which the manufacturers/assemblers have no phased programme of manufacture, provided they do not require any extra foreign exchange for their manufacturing programme. Such of the assemblers who wish to avail of this facility should approach the Chief Controller of Imports and Exports, New Delhi (Headquarters Licensing Division) for necessary endorsement on their valid licences for component parts giving details of spare parts sought to be imported and the value thereof.

96. **Permission to manufacturers of refrigerators and air-conditioning equipments to utilise a part of their licence for import of spare parts for servicing and maintenance.**—Actual users manufacturing refrigerators and air-conditioning equipments and holding valid A. U. licences for import of components and spare parts of refrigeration and air-conditioning equipment may, on specific request, be allowed to utilise permissible spares of a small value (not exceeding 5 per cent, of the value of the licence) imported against such licences, for servicing and maintenance purposes for meeting guarantee and warrantee obligation. The applications for such permission should be made to the licensing authority who issued the licence, through the sponsoring authority concerned. Under this facility, refrigeration gas imported by actual users may also be allowed to be utilised for servicing and maintenance purpose for meeting guarantee and warrantee obligation within the 5 per cent limit as indicated above.

97. **Procedure for submission of applications for goods the import of which is canalised through an agency approved by Government.**—(1) If the goods imported through a recognised agency are placed at the disposal of the sponsoring authority for distribution to individual actual users, the actual users are not required to submit any application for such goods to the licensing authorities. They have to obtain the allotments directly from the sponsoring authority concerned.

(2) In respect of other canalised imports, the following procedure should be followed:—

(a) The applicants should submit their applications for licences for such goods in the usual form and manner supported by treasury challans to the licensing authority concerned through the sponsoring authority concerned The applicants can make even a consolidated application for all canalised items required by them.

(b) The sponsoring authority will forward the applications to the licensing authority concerned with its recomendation for the items and the value in each case.

(c) The licensing authority will issue a suitable reply to the applicant. If it is decided to release the canalised goods in favour of the applicant, necessary intimation will be sent to the applicant, with a copy thereof endorsed to the agency responsible for distribution of the imported goods. The appliants will draw the allotment from such an agency after making the necessary payment towards the price of the goods.

(d) The agency through whom the imports are canalised should make a separate bulk application for a licence for each commodity to the C.C.I.&E. (Headquarters Licensing Division). The application should be supported by a treasury challan of the requisite amount on the value applied for. The licensing authority will issue the licence subject to the amount of ceiling available and subject to the condition that the imported goods shall be distributed by the licensee in the manner indicated by and under the directions of the licensing authority.

98. **Special procedure for issue of licences to actual users.**—Notwithstanding anything contained in this Chapter, the Chief Controller of Imports and Exports or the licensing authority may by issuing a Public Notice or trade notice evolve any special procedure for issue of import licences to actual users in respect of any licensing period or commodity or any category of actual users. In such cases, the provisions of this book regarding the procedure for submission of applications and processing of applications will be applicable only to the extent indicated by the CCI&E, or the licensing authority.

CHAPTER V

Registered Exporters

99. **Definition**: (1) Registered exporters are those who hold valid registration certificates issued to them by the concerned registering authorities, namely, the Export Promotion Councils, Commodity Boards and the Export Promotion Authorities at the ports. The names of the registering authorities in respect of different export products are given in the appendix 28.

(2) A registered exporter may be a merchant-exporter or a manufacturer-exporter.

100. **Procedure for registration**: (1) An application for regisrtation should be made to the appropriate registering authority indicated in appendix 28 in the form given in appendix 15. In the case of concerns having branches, the application for registration should be made only by the head office. The application should be accompanied by a Bank certificate testifying the applicant's financial soundness.

(2) All exporters with past performance, good record and experience are eligible for registration. An applicant having no previous experience of export in a particular line may also be registered if the registering authority is satisfied about the general commercial background of the applicant, his industrial experience or export performance.

(3) The regisuation certificates will be issued by the registering authorities, subject to such condition as the authorities concerned may consider necessary. One of the conditions of registration shall be that the registered exporter shall furnish monthly returns of exports (including 'nil' returns), to the registering authority by the 5th of the following month. The registering authority will also forward copies of the registration certificate to other registering authorities in whose jurisdiction the branches, if any, of the applicant are situated.

(4) Once an exporter has been registered, the registration shall remain in force, unless the person registered ceases to exist, or his name is de-registered for any valid reason.

101. **De-registration of exporters**: (1) The registering authority may initiate action to de-register an exporter, where such authority is satisfied that the exporter:

(a) Has ceased to have the qualifications required for registration or the conditions of registration have been violated; or

(b) Has indulged in any form of unfair, corrupt or fraudulent practice, or failed to fulfil any export obligation; or

(c) Has ceased to have interest in the continuation of his registration. If no application for an import licence is made by an

registered exporter, under the import policy for registered exporters, within 18 months of registration, or if there is an interval of 18 months or more between any of two such applications, it will be presumed that the exporter is not interested in the continuation of his registration.

(2) An exporter will ordinarily be given a "Show cause" notice, before he is de-registered. The registering authority, keeping in view the reason of de-registeration, will decide, whether the de-registration should be for a specified period or for an indefinite period, or whether the de-registration should be limited to a particular export product or be of wider applicability. The registering authority will not be bound to give reasons for de-registration.

102. **Registration and de-registration by the Chief Controller of Imports and Exports, New Delhi:** Notwithstanding anything contained in paragraph 101 above:

(i) The Chief Controller of Imports and Exports, New Delhi may register an exporter or direct the registering authorities to register an exporter. The registration done by the Chief Controller of Imports and Exports, New Delhi, or his direction to the registering authorities in this regard will apply to such export products covered by the import policy for registered exporters, as may be specified by him.

(ii) If, on the basis of the information available, the Chief Controller of Imports and Exports, New Delhi, is of the opinion that any exporter has committed a breach of any law (including any rule, order or regulation) relating to customs or the import and export of goods or foreign exchange, he may, without prejudice to any other action that may be taken in this behalf, refuse to register such exporter or direct the registering authorities to do likewise, or he may de-register an exporter, if the exporter has already been registered, or direct the registering authorities to de-register him, for a specified or an indefinite period, and in respect of a particular export product or products or all the export products covered by the import policy for registered exporters.

103. **Appeals and review applications relating to registration and de-registeration:** (1) When an exporter is not satisfied with a decision of any of the registering authorities listed in appendix 28 in regard to their refusal to register/de-register him, he may prefer an appeal to the Chief Controller of Imports and Exports, New Delhi, within a period of 45 days from the date of the communication containing the decision appealed against. Such appeals will be considered by the Chief Controller of Imports and Exports, New Delhi. If necessary, he may consult the Ministry of Commerce, New Delhi.

(2) Any person aggrieved by a decision of the Chief Controller of Imports and Exports, New Delhi, taken in terms of the provisions of paragraph 102 above, may make a representation to him for review of such decision within a period of 45 days from the date of the communication containing the decision against which the representation is made. On consideration of such representations, if it is so decided, the Chief Controller of Imports and Exports, New Delhi, may, with the approval of the

Ministry of Commerce, New Delhi, either himself re-register the exporter, or restore registration, or he may direct the registering authorities to re-register such exporter or restore registration. The re-registration or restoration of registration in such cases will be subject to such condition(s) as the Chief Controller may decide.

104. **Import policy for registered exporters :** The objective of the policy is to provide replenishment of the import content in terms of raw materials and intermediates, components and spares, against exports of specified products made by registered exporters. The imports effected against licences so granted will be used for production in units owned or managed by the licence holder, unless otherwise provided for. No import licence will be issued to any person, who is not an actual user. The detailed import policy for registered exporters is given in the relevant import trade control Policy (Red Book).

105. **Eligibility :** (1) Exporters, whether merchants or manufacturers holding a valid registration certificate, issued to them by the concerned registering authorities, will be eligible to the benefits of the import policy for Registered Exporters.

(2) A registered exporter, who is himself a manufacturer of the exported product, or of parts of components or raw material thereof, will be eligible to receive the import licence/licences under the policy, in his own name. He will also be able, if he so desires, to nominate any other manufacturer/manufacturers of the product exported or of the parts or components or raw materials, thereof, to claim the licence against the export effected by him.

(3) A registered exporter, who is not a manufacturer of the exported product, or of parts or components or raw material thereof, is not eligible to receive an import licence in his own name. He may, however, nominate one or more manufacturers of the product exported or of parts or raw materials thereof, for receiving import licence/licences against exports effected by him. Only in the case of Handicrafts and Gem and Jewellery items, the registered exporter will be assumed to be a manufacturer of the product exported and will, therefore, be entitled to receive imported materials under the policy in his own name.

106. **Nominations.**—(1) Nominations under the import policy for registered exporters are to be made within a period of 15 days from the date of export as indicated in the relevant bill of lading/air-waybill/postal receipt, in the form given in Appendix 29. If two or more manufacturers are to be nominated against one transaction of export, the required details of all the nominees should be mentioned in the same document of nomination.

(2) The document of nomination will form part of the documents to be submitted by a registered exporter along with his application for the grant of import licence(s), which he has to submit to the licensing authority in accordance with the import policy for registered exporters.

(3) The document of nomination (i.e., letter of nomination) should be signed by the registered exporter or a person duly authorised to sign on his behalf. The name of the person signing the letter of nomination, his address and the position held by him in the exporter's concern and the registration and the name of the registering authority of the exporter

should be clearly stated in the letter of nomination. The letter of nomination should also be signed by the nominee in token of his acceptance of the nomination. The letter should bear the date of its execution.

107. **Permissible items and extent of replenishment.**—(1) Registered Exporters, or their nominees, as the case may be, may apply for the grant of import licences for the following items :—

(a) Items indicated in any valid actual user licence held by them, provided such items are permissible in terms of the import policy for the licensing period during which the application for the licence is made;

(b) Items indicated in the relevant import policy for registered exporters, provided such items are required for use in the manufacturing activity in which the applicants for the licences are engaged.

(2) Requests for inclusion of any other item may also be considered by the licensing authorities on merits, provided such items are required for use in the manufacturing activity in which the applicants for the licences are engaged.

(3) An import licence issued to a registered manufacturer-exporter, against his own exports may, on request, be made valid for an amount not exceeding 20 percent of the value of the licence or Rs. one lakh, whichever is less, for import of permissible type of jigs and tools and equipment for packing and tagging. This facility will not, however, be available in respect of import licences issued against the exports of gem and jewellery and cinematographic films (exposed). The corresponding facility provided against the exports of these products is indicated in the relevant import policy.

(4) Where the import of any item(s) permissible under the import policy for Registered Exporters is canalised through the STC/MMTC or any other recognised agency, the requirements in respect of such item(s) will be met by issuing release orders in favour of the parties concerned. Arrangements have also been made for the stocking of certain items of raw materials by the STC/MMTC, and if the registered exporter does not desire to import any of such items himself, he may apply to the licensing authority for a release order in lieu of a licence.

108. **Exports inadmissible for the grant of import licences.**—(1) Exports made to Nepal, Sikkim, Bhutan, Tibet and Afghanistan will not qualify for the grant of import licences under the import policy for registered exporters. However, in the case of Afghanistan, exports which have been made against free foreign exchange may be taken into consideration for the issue of import licences.

(2) The exports made by a registered exporter before a date earlier than three months prior to date of application for registration will not be considered for the grant of import licences under the import policy for registered exporters.

(3) Export on consignment basis will not qualify for the grant of import licences in terms of the import policy for registered exporters so long as final sale has not yet been effected. In such cases, the export will be deemed to have been made in the quarter during which actual sale is effected.

(4) Except for gem and jewellery items, exports made to Rupee Currency Area also will qualify for the grant of replenishment licences from General Currency Area and *vice versa.*

109. **Procedure for submission of applications for licences.**—(1) Applications for import licences should be made in the prescribed forms as given in Appendix 3 to the licensing authority under whose jurisdiction the head office of the registered exporter is situated. The names and jurisdiction of the licensing authorities are indicated in Appendix 30.

(2) The import applications should be made to the licensing authorities direct, except in the following cases :—

(i) In the case of gem and jewellery items, the applications should be routed through the Gem & Jewellery Export Promotion Council Bombay; and

(ii) In respect of Handicrafts, the applications should be submitted on the prescribed form to the All India Handicrafts Board, New Delhi, who will issue release order for permissible items on the Handicrafts Handloom Export Corporation, New Delhi.

(3) The applications for import licences should reach the concerned licensing authority, every quarter, during the month succeeding the quarter of export. In the case of gem and jewellery items and cinematographic films (exposed), applications may be made on monthly/quarterly basis, as opted by the registered exporter, on the basis of foreign exchange realised during the preceding month/quarter as the case may be.

(4) A manufacturer—exporter, claiming import licences on the basis of his own exports, can also submit import applications on monthly basis by making an arrangement with the licensing authority concerned. Such applications may be made in the simplified application form given in Appendix 3, and the IVC No. may be quoted only once in a year. While making an arrangement with the licensing authority for submitting applications on monthly basis, the applicant should name the export products which he is manufacturing and against the export of which he wishes to claim import licences. He should also give a list of the raw materials etc. which are needed for manufacturing the export products in question. It will not be necessary for such manufacturer—exporter to produce A.U. licences every time, once the shopping list has been decided upon either on the basis of the already existing A.U. licences, or after obtaining indigenous clearance from the DGTD/Textile Commissioner/technical authority concerned.

(5) Applications for items licensable by the Iron and Steel Controller, shall also be made to the concerned licensing authorities listed in Appendix 30. In such cases, the application should be made, in duplicate, with separate lists of the items of iron and steel required. Even in cases where the import application pertains to only the iron and steel items, the application should still be made to the concerned licensing authority.

(6) The applications for import licences should be accompanied with the following :—

(i) Treasury challan of Rs. 50/- irrespective of the value applied for as specified in the application;

(ii) The documents of export in the name of the registered exporters as follows :—

(a) Shipping bill duly authenticated by Customs (except in case of exports by post or V.P.P.(;

(b) Bill of lading/airway bill duty attested by the shipping company/Airway Company (Postal receipt in case of export by post);

(c) Invoices duly attested by the negotiating banks;

(d) Bank certificate and Customs attested invoices (in case of Gem and Jewellery items only);

(e) A letter of nomination in respect of each nominee manufacturer, in whose favour a licence is claimed; and

(f) Five copies of the list of items applied for (with a separate set for Iron and steel items, if claimed(. Where imports of any of the permissible items are sought to be made from the Rupee payment area, a separate set of five copies of the list o items to be imported from such area should be sent with the application for import licence.

Note :—The export documents produced by the parties will be retained by the licensing authorities.

(iii) Original with a certified copy of the valid actual user licence (including the list of goods attached to that licence), if any item is sought to be imported on the strength of such valid actual user licence. If the applicant is unable to produce the original licence and the list of goods, a photostat copy thereof will also be accepted. A photostat copy should be of such size and magnitude as may be easily readable.

(7) The registered exporter should make a consolidated application for the grant of import licence(s) against the exports of all the products in a group, effected by him during a particular quarter or month, as the case may be. If import licences are claimed in favour of more than one nominee the consolidated application should be accompanied with separate particulars of each nominee in the prescribed form appended to the application for the licence, in respect of each import licence claimed, the claimed, the consolidated application should be accompanied with 5 copies of the list of goods sought to be imported.

110. **Conditions of licences.**—(1) The import licences issued under the import policy for registered exporters will be subject to the following condition :—

"This licence is issued subject to condition that all items imported under it shall be used only in the licence holder's factory at the address shown in the application against which the licence is issued, and no portion thereof will be utilised by the licensee for a unit/purpose other than the one for which the licence in question is issued, or will be sold or be permitted to be utilised by any other party. The licensee shall maintain

proper account of the consumption and utilisation of the goods imported against the licence".

(2) The above condition will be in addition to any other conditions imposed or deemed to have been imposed on the licences under clause 5 of the Imports (Control) Order, 1955, dated the 7th December 1955, as amended.

111. **Flexibility in the use of licences.**—The facility provided to actual users to use their import licences for raw materials, components such spares in terms of paras 84 and 85 of this book, will also apply to import licences issued to actual users under the import policy for registered exporters.

112. **Period of validity.**—The period of validity of import licences issued under the import policy for registered exporters will be as given in Chapter X of this book.

113. **Mis-declaration of value or description of exported goods.**—(1) Where a licensing authority considers that the value of the goods exported has not been correctly declared, it shall be open to such authority either to refuse the import licence against such exports or reduce the value of the licence(s) to such an amount as may be deemed fit. In cases where the exported goods have not been correctly described, the licensing authority will refuse to issue an import licence against such exports.

(2) The action of the licensing authority in terms of sub-paragraph (1) of this paragraph will be without prejudice to any other action that may be taken under the provisions of the imports and Exports (Control) Act, 1947 or the orders issued thereunder or under any other provisions.

114. **Changes in the constitution or ownership of an exporter's concern.**—(1) Where there is any change in the ownership, constitution or name of any concern, which has been registered under the import policy for registered exporters, it shall be obligatory on the part of the person in authority in the concern, as originally registered, to intimate the fact of such change to the egistering and the licensing authorities within 15 days of the change.

(2) In the event of any change in the constitution or ownership or name of a registered exporter's concern, the import entitlements and/or obligations against the exports of the concern originally registered will be apportioned by the licensing authorities in its discretion, without discharging the obligation of the individual members of the originally registered concern.

115. **Inclusion of new export products.**—Suggestions for the inclusion of new export products in the import policy for registered exporters will be considered by the Ministry of Commerce, New Delhi, having regard to the export possibilities of such products and the quality and value of materials (Imported and indigenous) used in their manufacture.

CHAPTER VI

IMPORT LICENSING OF CAPITAL GOODS, HEAVY ELECTRICAL PLANT AND MACHINE TOOLS

(A) Capital Goods Scheme

116. *Definition.*—(1) "Capital Goods", as envisaged in this scheme, comprise such items of Plant and Machinery as are required for new installations, or replacements or for the expansion of existing projects or subsidiaries thereof.

(2) Broadly speaking, the C.G. Scheme applies to the following goods classified under Parts II, III, V and VI of the I.T.C. Schedule as detailed below:—

Part II (a) S. No. 36—All goods included in S. Nos. 36(1), 36(2), 36(3), 36(4) and 36(5).

(b) S. No. 37(1)—All Jute and Hemp textile machinery covered by this S. No. comprising principally:—

(i) Grey Winding Frames.

(ii) Colour Winding Frames.

(iii) Ordinary Warping Machines with Creels.

(iv) High Speed Warping Machines with Cone Creels.

(v) High Speed Cone Winders.

(vi) High Speed Bobbin Winders.

(vii) Sizing Machines.

(viii) Drawing in frames, looms, tape looms, sewing thread ball making machines, cumbli finishing machinery.

(c) S. No. 37(2)—Component parts of machinery covered by S. No. 37(1).

Part III(a).—All Textiles machinery and plant and component parts thereof (other than cotton textile machinery) of the following description:—

(i) S. No. 4—All goods included in S. Nos. 4(1), 4(2), 4(3), 4(4) and 4(5).

(ii) S. No. 5(1)—Looms, tape looms, wool carding machines, wool spinning machines, silk looms, silk throwing and reeling machines, silk twisting machines.

(b) All cotton textile machinery and plant and hosiery knitting machinery and spares and component parts thereof of the description given in Appendix (16) to this book falling under S. Nos. 4, 5 and 6 of Part III.

Part V.—All goods included in S. Nos. 65(1), 65(2), 65(3), 65(4) and 65(5).

Part VI.—All items included therein.

117. *Cases requiring industrial licences or registration with the D.G.T.D.*—(1) Applicants for the import of capital goods required for the

expansion of industrial undertaking or for the setting of a new industrial establishment for the manufacture of any stores mentioned in the First Schedule to the Industries (Development and Regulation) Act, 1951, as amended, should first apply to the Ministry of Industrial Development and Company Affairs (Department of Industrial Development), New Delhi, for a licence under the Act for the proposed expansion/installation of the undertaking in question. Certain industries have been exempted from obtaining an industrial licence under the said Act. The applicants should approach the Ministry of Industrial Development and Company Affairs (Department of Industrial Development) for obtaining complete details and procedure in this regard before applying for import of capital goods. In cases where an industrial licence is necessary, the import licence for capital goods will be issued, if otherwise admissible, only after an industrial licence has been obtained by the applicant. In such cases, the application for the import of capital goods will not even be entertained before the applicant has obtained a Letter of Intent from the Department of Industrial Development, New Delhi.

(2) In cases where no industrial licence is necessary but the applicant has to obtain registration with the Directorate General of Technical Development, the applications for import of capital goods will be considered after the applicant has been registered with the D.G.T.D. Therefore, in the case of industries looked after by the D.G.T.D., (excluding small scale) the applicants should first approach the DGTD and apply for registration, before applying for import of capital goods.

118. **Applications for Capital Goods.**—(1) With a view to expediting the disposal of applications for import licences for Capital Goods, a separate division exists in the office of the Chief Controller of Imports and Exports, New Delhi.

(2) Applications for import licences for Capital Goods should be made, in duplicate, in the prescribed application form (Form 'E') given in this book, together with 7 copies of the list of goods proposed to be imported.

(3) The applications for import of machinery coming within the purview of the Capital Goods Scheme, should be addressed to the following licensing authorities :—

(*i*) *Joint Chief Controller of Imports and Exports (Capital Goods), Bombay.*—For all cotton textile machinery and hosiery knitting machinery and spares thereof, of the description given in Appendix (16) to this book as also all Textile Machinery and spares (except for Jute and Hemp) falling under S. Nos. 4(1), 4(2), 4(3), 4(4), 4(5), and those specified against S. No. 5(1) of Part III under sub-para 116(2) above.

(*ii*) *Joint Chief Controller of Imports and Exports (Capital Goods), Calcutta.*—For Jute Rope and Hemp Machinery and spares, falling under S. Nos. 36 and 37 of Part II, and plant and machinery connected with Coal, Mining, Quarries and Tea Industry.

(*iii*) *Chief Controller of Imports and Exports (Capital Goods), New Delhi.*—For all other machinery and plant coming within the purview of Capital Goods Scheme. The applications for values in excess of (i) Rs. 5·0 lakhs for import from countries other than rupee payment countries and (ii) Rupees 20.0 lakhs for import from rupee payment countries, will be considered

in consultation with the Ministry of Industrial Development and Company Affairs (Department of Industrial Development), New Delhi.

(4) The applications under sub-para (3) above should be made to the licensing authorities concerned in the manner detailed below:—

(a) application from Scheduled Industries borne on the books of the Directorate General of Technical Development, should be sent through the Deputy Director (Co-ordination), Directorate General of Technical Development, Udyog Bhavan, New Delhi

(b) Applications from small scale units should be made through the sponsoring authority concerned and the Development Commissioner, Small Scale Industries, New Delhi. The applicant should send his application to the sponsoring authority concerned who will forward the same with his recommendation to the Development Commissioner, Small Scale Industries, New Delhi.

(c) Applications from scheduled industries not borne on the books of the Directorate General of Technical Development and non-scheduled industries other than Small Scale should be sent through the sponsoring authority concerned.

(d) Notwithstanding anything contained in sub-paras (a), (b) and (c) above, all applications for import of capital goods required for setting up additional capacity in respect of certain industries categorised as 'Key' industries [mentioned in Appendix (17) to this book] should be sent through the Coordination and Licensing Progress Section (CLP Section) in the Department of Industrial Development, New Delhi with ten spare copies.

(5) Applications from small scale units for import of Machinery valued upto Rs. 8,000/- should be made to the regional licensing authority concerned through the sponsoring authority concerned in the prescribed form (Form 'B'), in dupicate, given in this book. Applications from small scale industries exceeding Rs. 8,000/- in value and those from other actual user for any value should be made in the prescribed form (Form 'E'), in duplicate, to the licensing authorities mentioned in sub-para (3) above and in the manner indicated in sub-para (4) above. The application should be accompanied by 7 copies of the list of items sought to be imported.

(6) The applications should be accompanied by (i) I.V.C. Registration/exemption number, (ii) Treasury Receipt towards the payment of requisite application fee on the value applied for, (iii) In the case of applications from small scale units for import of Capital Equipment for replacement purposes, a certificate from the National Small Industries Service Institute to the effect that the replacement of machinery is inescapable, should also be furnished, and (iv). Any other document/information considered necessary or required in terms of the policy in force.

119. **Procedure for processing of applications for capital goods.—**

(1) *D.G.T.D. borne units.*—In respect of applications for import of capital goods from units borne on the books of the D.G.T.D., the following procedure will be followed :—

(i) The applicant should submit his application to the C.C.I. & S. through the D.G.T.D., in duplicate, in the prescribed form

(Form 'E') along with seven copies of the list of items sought to be imported, as stated in paragraph 118 above. On receipt of the application, the D.G.T.D. will send an acknowledgement-cum-deficinecy letter to the applicant acknowledging the application and pointing out any deficiencies in it. The applicant will be given a specified time limit to make up the deficiencies or to furnish further information or clarification as may be necessary. If the applicant does not furnish the required information or clarification etc., within the specified time limit, the application will be liable to be recommended for rejection.

(ii) Complete applications and applications which have been completed by the applicants by furnishing the required information/clarification, will be scrutinised by the D.G.T.D. from the point of view of essentiality for imports. If the D.G.T.D. does not consider the import essential, he will forward the application to the Chief Controller of Imports and Exports recommending rejection.

(iii) If the D.G.T.D. considers the import essential, he will scrutinise the items applied for from the indigenous angle. In case all the items sought to be imported are available from indigenous sources, the D.G.T.D. will again forward the application to the Chief Controller of Imports and Exports recommending rejection, indicating the names of the indigenous manufacturers in respect of items not already covered by the Hand Book of Indigenous Manufacturers.

(iv) Where the D.G.T.D. considers the import essential and the items applied for are not available from indigenous sources, the application will be forwarded to the Chief Controller of Imports and Exports with a recommendation for the issue of a licence in respect of items considered essential and not available indigenously. While forwarding the application to the C.C.I. & E. with a recommendation, the D.G.T.D. will also send therewith five copies of the list of goods recommended for import including one copy duly attested by him.

(v) While forwarding the application to the Chief Controller of Imports and Exports, the D.G.T.D. will also suitably inform the applicant and communicate the gist of the recommendation to him.

(vi) The applications will be considered further based on the recommendations of the D.G.T.D. in terms of the import policy in force and subject to the availability of monetary ceiling.

(2) The applications for import of machinery and machine tools from the units borne on the books of the DGTD valued upto Rs. 16,000/- in each case, will be recommended by the DGTD against the monetary ceiling earmarked or allocated to the DGTD for the import of raw materials, components and spares. Such applications will also be dealt with at the headquarters office of the CCI&E, and should be made in Form 'C' prescribed for raw materials, components and spares.

(3) *Small scale units for value exceeding Rs.* 8,000.—In respect of import applications for capital goods from small scale units for value exceeding Rs. 8,000, the following procedure will be followed:—

(i) The applicant should send his application in duplicate in the prescribed form (Form 'E') with seven copies of the list of items sought to be imported, as stated in para 118 above. The application should be addressed to the Chief Controller of Imports and Exports, New Delhi and sent through the sponsoring authority concerned.

(ii) On receipt of the application, the sponsoring authority will send an acknowledgement-cum-deficiency letter to the applicant acknowledging the application and pointing out any deficiencies in it. The applicant will be given a specified time limit to make up the deficiencies or to furnish further information or clarification as may be necessary. If the applicant fails to furnish the required information or clarification etc., within the specified time, the application will be liable to be recommended for rejection.

(iii) Complete applications and applications in which the required information or clarification has been furnished by the applicant will be scrutinised by the sponsoring authority from the point of view of essentiality for import. If the sponsoring authority does not consider the import essential, he will forward the application to the Chief Controller of Imports and Exports recommending rejection. While forwarding the application to the Chief Controller of Imports and Exports the sponsoring authority will also suitably inform the applicant and communicate to him a gist of the recommendation.

(iv) If the sponsoring authority considers the import essential, he will forward the application with his recommendation to the Development Commissioner, Small Scale Industries, New Delhi.

(v) The Development Commissioner, Small Scale Industries, New Delhi will examine the application both for essentiality and from the indigenous angle.

(vi) If the D.C.S.S.I. New Delhi does not consider the import essential, he will forward the application to the Chief Controller of Imports and Exports recommending rejection without looking into the indigenous angle. If on the other hand, the D.C.(S.S.I.) considers the import essential, he will scrutinise the items from the indigenous angle on the basis of the package clearance obtained by him from the D.G.T.D. In case he finds that all the items sought to be imported are available from indigenous sources he will again forward the application to the Chief Controller of Imports and Exports recommending rejection and indicating the names of indigenous manufacturers of items not covered by the Hand Book of Indigenous Manufacturers.

(vii) In the case of items not available indigenously and whose import is considered essential, the D.C.(S.S.I.) will forward the application to the Chief Controller of Imports and

Exports with his recommendation for a licence. While sending the application along with the recommendation to the Chief Controller of Imports and Exports, the D.C. S.S.I. will also send therewith five copies of the list of items recommended for import including one copy duly attested by him.

(viii) While forwarding the application to the Chief Controller of Imports and Exports, the D.C.S.S.I. will also suitably inform the applicant and communicate to him a gist of the recommendation.

(ix) The applications will be considered further by the Chief Controller of Imports and Exports on the basis of the recommendation of the D.C. S.S.I., New Delhi and sponsoring authority and in terms of the import policy in force subject to availability of monetary ceiling.

(x) Notwithstanding anything stated in sub-paras (i) to (ix) above, in the case of an application not exceeding Rs. 16,000/- in value, in which the sponsoring authority considers the import essential, it will be open to such authority to recommend a licence within the raw material ceiling allocated to him. In such cases the application should be forwarded by the sponsoring authority with his recommendation to the regional licensing authority concerned, with suitable intimation to the applicant giving him a gist of the recommendation. The regional licensing authority concerned will consider such applications in the same manner as other applications from small scale units for import of machinery valued upto Rs. 8,000/-.

(4) *Small scale units for value up to Rs.* 8,000.—In respect of applications from small scale units for import of machinery and machine tools valued up to Rs. 8,000/- the following procedure will be followed:

(i) The applicant should submit his application to the regional licensing authority concerned through the sponsoring authority concerned in the prescribed form (Form 'B') in duplicate as stated in para 118 above. On receipt of the application, the sponsoring authority will send an acknowledgement-*cum*-deficiency letter to the applicant, acknowledging the application and pointing out any deficiencies therein. The applicant will be given a specified time limit to make up the deficiencies or to furnish information or clarification as may be necessary. If the applicant fails to furnish the required information/clarification etc., within the specified time limit, the application will be liable to be recommended for rejection.

(ii) Complete applications or applications in which the required information/clarification has been furnished by the applicant will be forwarded by the sponsoring authority to the regional licensing authority concerned with his recommendations. While forwarding the application to the licensing authority concerned, the sponsoring authority will also suitably inform the applicant and give him a gist of the recommendation.

(iii) The value of import licences issued in such cases will be debitable to the raw material ceiling allocated to the sponsoring

authority concerned. If no ceiling for raw material is allocated sponsoring authority-wise the value of import licences issued against such applications recommended by the sponsoring authorities, will be debitable to the monetary ceiling earmarked for import of raw materials by S.S.I. Units.

(iv) If the machinery or machine tools sought to be imported is not licensable to actual users in terms of the import policy in force, the sponsoring authority should refer the application to the D.C. (S.S.I.), New Delhi for indigenous clearance before making a recommendation for the licence. The D.C. (S.S.I.) will give indigenous clearance on the basis of the package clearance obtained by him from the D.G.T.D. in advance. If, in any particular case, the machinery applied for does not appear in the list of package clearance maintained by the D.C. (S.S.I.), the application will be placed before the S.S.I. Committee in the office of the D.C. (S.S.I.) for indigenous clearance. The Director of Industries will process the aplication further and make a suitable recommendation to the licensing authority on receipt of the advice of the D.C. (S.S.I.).

(v) The licensing authority will consider the application further on the basis of the recommendation of the sponsoring authority and in terms of the import policy in force.

(5) *Other industries.*—In respect of applications for import of capital goods from industrial units other than (a) D.G.T.D. borne units, (b) small scale units (c) textile, jute, hemp, and rope, coal mining, quarries and tea industries, the following procedure will be followed :—

(i) The applicant should submit his application in duplicate in the prescribed form (Form 'E') with seven copies of the list of items sought to be imported as stated in para 118 above. The application should be submitted to the Chief Controller of Imports and Exports, New Delhi through the sponsoring authority concerned.

(ii) On receipt of the application, the sponsoring authority will issue an acknowledgement-*cum*-deficiency letter to the applicant acknowledging the application and pointing out deficiencies therein. The applicant will be given a specified time limit to make up the deficiencies or to furnish any information or clarification that may be necessary. If the applicant fails to furnish the required information/clarification etc., within the specified time limit, the application will be liable to be recommended for rejection.

(iii) Complete applications and applications in which the required information/clarification etc., has been furnished by the applicant will be scrutinised by the sponsoring authority from the point of view of essentiality for import. If the sponsoring authority does not consider the import essential, he will forward the application to the Chief Controller of Imports and Exports recommending rejection. The applicant will also be suitably informed and a gist of the recommendation communicated to him.

(iv) If the sponsoring authority considers the import essential, he will forward the application to the D.G.T.D. who will examine it from indigenous angle and send it with his recommendation to the Chief Controller of Imports and Exports, New Delhi. While sending the application to the Chief Controller of Imports and Exports, the D.G.T.D. will also send therewith five copies of the list of items recommended for import including one copy duly attested by him. A copy of the recommendation with a list of items recommended will also be sent by the D.G.T.D. to the sponsoring authority. The sponsoring authority will then suitably inform the applicant giving him a gist of the recommendation.

(v) The Chief Controller of Imports and Exports will consider the application further on the basis of the recommendation of the sponsoring authority and the comments of the D.G.T.D., and in terms of the import policy in force subject to the availability of monetary ceiling.

(6) Applications for the imports of machinery and machine tools from 'other industries' referred to in sub-paragraph (5) above valued up to Rs. 8,000/- will be considered by the regional licensing authorities concerned on the recommendations of the sponsoring authorities. The applications should be made in Form 'B' prescribed for raw materials, components and spares. Such applications will be recommended by the sponsoring authorities against the monetary ceiling car-marked or allocated for the import of raw materials, components and spares. The sponsoring authorities will forward their recommendations in such cases to the regional licensing authorities direct and not through the DGTD. However, if the machinery or machine tools sought to be imported is not licensable to actual users in terms of the import policy in force, the sponsoring authorities should obtain indigenous clearance from the DGTD before forwarding an application to the licensing authority with its recommendation.

(7) *Textile, jute, hemp and rope, coal, quarries and tea industries.*— Import applications for textile, jute, hemp and rope, quarries, coal and tea machinery should be made to the concerned licensing authority as given in para. 118 through the sponsoring authorities concerned. The applications will be forwarded by the sponsoring authorities to the licensing authorities with their recommendations. The sponsoring authorities will obtain package indigenous clearance from the D.G.T.D. in order to eliminate references to the D.G.T.D. on individual applications for obtaining indigenous clearance. The licensing authorities will consider the applications further on the basis of the recommendations of the sponsoring authorities and in terms of the import policy in force subject to availability of monetary ceiling.

(8) *Import of mining equipment.*—Applications for the import of mining equipment (other than coal mining equipment) will be considered by the Chief Controller of Imports and Exports, New Delhi on the recommendations of the Ministry of Steel, Mines and Metals (Department of Mines and Metals), New Delhi. The applicants should submit their applications to the Indian Bureau of Mines, Nagpur. The applications should also indicate the country from which the equipment is sought to be imported. The

Indian Bureau of Mines will forward the applications with its recommendations to the Department of Mines and Metals, New Delhi. The Department of Mines and Metals will obtain indigenous clearance from the D.G.T.D. and thereafter send the applications to the Chief Controller of Imports and Exports, New Delhi, with their recommendations, indicating the items to be allowed for import and their value.

(9) *Applications for amendment of C.G. licences.*—Applications for minor amendments should be sent by the licensees direct to the licensing authority concerned. Where an amendment in value or description of goods is sought to be made, the application should be made through the D.G.T.D. in the case of units borne on his list, through the Development Commissioner, Small Scale Industries, New Delhi for small scale units and through the sponsoring authorities concerned in the case of other units.

120. *Import of instruments, testing machines, weighing machines, laboratory equipment, tools and tackles.*—Applications from actual users for the import of instruments, testing machines, weighing machines, laboratory equipment, tools and tackles etc. will be considered by the licensing authorities on the recommendtions of the sponsoring authorities in the same manner as those for the import of capital goods. The policy and procedure indicated in this chapter for submission and processing of applications for import of capital goods will apply to the import of these items also. Accordingly, the jurisdiction of the licensing authorities for dealing with such applications will be as under:—

(i) Applications valued upto Rs. 16,000/- in the case of DGTD units and Rs. 8,000/- in the case of other units will be considered by the licensing authorities concerned. Such applications will be recommended by the sponsoring authorities concerned against the monetary ceiling ear-marked or allocated for import of raw materials, components and spares. The applications should be made on the application form prescribed for raw materials, components and Spares.

(ii) Applications in excess of the value limits indicated in (i) above, will be considered by the Chief Controller of Imports and Exports, New Delhi, on the recommendations of the sponsoring authorities concerned, against the monetahry ceiling earmarked or allocated for import of capital goods. The applications should be made in the prescribed form 'E'.

121. *Intimation to licensing authority regarding utilisation of licences for import of capital goods/heavy electrical plant.*—(1) Import licences for capital goods/heavy electrical plant will be issued subject to the following condition in addition to any other condition (s) as may be imposed on or applicable to such licences:—

"It is also a condition of this licence that a half yearly return in the attached proforma shall be furnished by the licensee to the Director of Statistics, Office of the Chief Controller of Imports and Exports, New Delhi, indicating the actual imports and remittance made against the licence as on 28th February and 31st August each year. The return for each half year shall be furnished within a period of 15 days from the close of the half year as indicated".

The proforma in which the licensees will be required to furnish the half yearly returns is given in appendix 18 to this book.

(2) The import licences for capital goods/heavy electrical plant will also be subject to the following condition *inter-alia* :—

> "The goods imported under this licence will be utilised in the licence holder's factory and no portion thereof will be sold to or be permitted to be utilised by any other party or pledged with any financier other than banks authorised to deal in the foreign exchange and State Finance Corporation, provided that the particulars of the goods to be pledged are reported by the licensed in advance to the licensing authority."

122. *Submission of full particulars and description of capital Goods.*—Applicants are requested to give full particulars and description of the plant required, indicating particularly whether it is "modern and up-to-date" or not. Import of such items of machinery and plant as are manufactured within the country will not be allowed. Importers of Capital Goods are requested to make it clear to their foreign suppliers at the outset that they (Foreign Suppliers) will be required to give a guarantee in regard to the performance of the equipment in question notwithstanding the fact that a part of the plant (which will, of course, be of proved efficiency) may have to be purchased, from indigenous sources.

123. *Important hints to applicants of capital goods.*—It is of utmost importance that :—

(a) Applicants for import licences for capital goods should clearly specify the country or countries from which imports are to be made. It is not enough to indicate a currency area in vague terms.

(b) Applicants should indicate alternative sources of supply so that, in the event of they being given an import licence against credits available to the Government, they would be in a position to find any of the alternatives indicated.

(c) Applicants should clearly indicate whether in the event of they being given an import licence against credits available to the Government they would be in a position to find the rupee resources to take advantage of the licence.

(d) Applicants should send their applications for licences through the sponsoring authorities concerned and advance copies of the applications should not be sent to the licensing authorities. The licensing authorities will not take any action on the advance Copies received by them.

124. *Import of Second-hand machinery.*—Applications for import of second-hand or re-conditioned machinery should always be accompanied by a certificate by a firm of consulting Engineers in the country of origin, indicating the age of the machinery, its present condition and expected life. If possible, a photograph of the machinery proposed to be imported should be furnished.

125. *Clearance in principle for the entire requirements of foreign exchange to be obtained at the time of initial application.*—It is important that importers secure clearance in principle for the entire requirements of foreign exchange for setting up a new plant or completing a substantial expansion, at the time of initial application. Failure to comply with this requirement will hinder the provision of the necessary foreign exchange and may result in rejection of applications. After a clearance in principle has been secured there is no objection to import applications being submitted in instalments as and when licences are required.

126. *Import of Textile Machinery other than for Jute and Hemp.*—Imports of Textile Machinery, other than Jute and Hemp may note that :—

(i) Applications for productive machinery as indicated in Appendix (16) will not be entertained from applicants who are not consumers or promoters having approved programme.

(ii) Applications for 'non-productive machinery' will not be entertained from applicants other than the actual users.

(iii) Applications for hosiery and knitting machines will be considered from Actual Users in terms of the policy laid down in the relevant Import Trade Control Policy Book.

127. *Exceptions.*—An exception to the above broad principles of licensing of Capital Goods is, however, made in the case of :—

(a) Complete Ring Frames;

(b) Spare parts of Ring Frames, including spinning spindles, fluted roller and tin rollers;

(c) Power looms;

(d) Carding Engines;

(e) Certain accessories and millstores required by cotton textile industry.

The licensing policy in respect of these items is announced in the Import Trade Control Policy Book or by separate Public Notices from time to time.

128. *Machinery for stock and sale not licensed under Capital Goods Scheme.*—The C. G. Scheme is applicable to the import of machinery and plant required for industrial manufacturing or processing units. Applications for the Import of machinery for stock and sale will not be licensed under the Capital Goods Scheme. Similarly, import of construction machinery will also not be covered by this scheme.

129. As a general rule, applications for import licences for substantial values of plant and machinery which are required for the setting up of new projects or for substantial expansion will be considered only against one or more of the following acceptable means of financing :—

(a) Long term foreign investment in the capital of the project;

(b) Foreign exchange loans for the project from the Industrial Credit and Investment Corporation of India, Bombay, and the Industrial Finance Corporation, New Delhi;

(c) Long term foreign exchange loans from financing institutions abroad, such as the U.S. Economic Development Loan Fund, the U.S. Export-Import Bank, the Commonwealth Development Finance Corporation, London and the International Finance Corporation, Washington.

(d) Imports financed by the National Small Industries Corporation of India, New Delhi, under their hire-purchase scheme for small scale industries;

(e) Loans to the Government of India from foreign governments or financial institutions, against which cash licences can be granted; and

(f) Trade and Payments agreements between the Government of India and foreign countries, against which cash licences can be granted.

130. Application for import licences will be considered having due regard to the priority of the schemes and the method of financing proposed. As a rule, the source of financing the imports will be limited to the alternatives indicated in paragraph 125 above. If the scheme is not considered to be of sufficient priority and/or if funds available with the Government cannot be allocated, import applications in respect of such schemes will be rejected.

131. *Import licensing of capital goods for export oriented industries.*—Applications for the import of plant and equipment required for the setting up of an industrial unit primarily devoted for developing the country's export will be given special priority. Likewise, import of plant and equipment required for the expansion of capacity of existing units in order to build up export markets will also be given special consideration. In such cases, applicants should provide full information regarding the exports that they propose to undertake. Details should also be furnished of the sources of supply of equipment and of the financing arrangements proposed, it being understood that there will be continuing export earnings from the project apart from the financing of the cost of the equipment and raw materials.

132. *Negotiations of loans by importers with foreign financing institutions require prior approval in principle of Government.*—Direct negotiations of loans by importers with foreign financing institutions require the prior approval in principle of Government. Such requests should be addressed to the administrative Ministry concerned or to the Chief Controller of Imports and Exports (Capital Goods Division), New Delhi, indicating the value of the equipment, the purpose for which it will be imported, the proposed country or countries of import, the value of imported raw materials/components that will be required annually after going into production, and the particulars of the manufacturing licence, if any, under the Industries (Development and Regulation) Act that may be held for the project.

133. Authorisation to negotiate direct with the U.S. AID authorities and the U.S. Export-Import Bank will ordinarily be granted only where import of equipment involved is for the minimum value of Rs. 2·25 crores for US (AID) Loan and 1·5 crores for Export-Import Bank

Loan. Direct negotiations for foreign exchange loans from certain other financial institutions abroad such as the Commonwealth Development Finance Corporation, London, and International Finance Corporation, Washington may be permitted for smaller amounts also.

134. *Imports against free resources on cash or deferred payment basis.*—When the outlay on imported plant and equipment is relatively small, and is likely to be covered by savings or earnings of foreign exchange (having due regard to the existing level of imports/exports) as a result of the implementation of the scheme within a period of three years, it may be possible to consider applications, to a limited extent, for licensing against free resources on cash basis, or on deferred payment basis. In general, Government do not propose to encourage import on short or medium term suppliers' credit, and deferred payment arrangements will only be considered in exceptional cases when the Government are satisfied that the savings of foreign exchange resulting from the output of the plant and machinery proposed to be imported will be more than sufficient to meet the payment liability. Similarly, such arrangements may be approved if there is a satisfactory guarantee for the exports of goods for the production of which the plant is to be imported.

135. *Special form for issue of licences for Capital Goods.*—Licences issued for Capital Goods will bear the distinct mark "CG" and will be issued in special Form, to distinguish them from other import licences.

136. *Importers to study carefully the conditions attached to import licences particularly when issued against loan programmes.*—Importers are advised to study carefully the conditions attached to or applicable to import licences particularly when these are issued against loan programmes. Non-compliance with the conditions endorsed on licences will render the licence invalid.

137. Importers of machinery items are advised to satisfy themselves that the machinery sought to be imported satisfy conditions laid down in the Factories Act and Rules framed thereunder, or similar rules in force in the country of origin of the machinery.

138. *Import of Spares against licences for machinery.*—The Customs authorities may allow import of spares against licences for machinery provided the value of spares imported does not exceed 10 per cent of the total value of the licence, and is covered within the overall value of the licence unless otherwise specifically indicated in the licence.

139. *Revalidation of Capital Goods licences.*—Licences for Capital Goods will be revalidated in terms of the provisions made in chapter (X) of this book unless otherwise specified on the licence.

(B)—Scheme for Licensing Heavy Electrical Plant

140. *Scope of the Scheme.*—(1) The Scheme extends to electrical plant and machinery as well as cognate equipment and materials essential for power plant (either for generation or transformation of electric power) required for factories. This scheme, however, does not apply to such electrical equipment as is required by domestic consumers, industrial concerns or laboratories for purposes other than specific electric power projects.

(2) The scheme applies to the following S. Nos. of the I.T.C. Schedule subject to the condition that the value of the goods for any single project or group of connected projects, required to be imported, is not less than Rs. 25,000 (f.o.b.) :—

Part II.—Serial Nos. 40, 42, 33A, 33B, 34, 36, 38, 39, 42, 43, 45, 46A and 48.

Part III.—Serial No. 4.

Part V.—Serial No. 65.

141. *Submission of applications.*—(1) Applications for Heavy Electrical Plant should be made in the application form prescribed in this book. Applicants requiring H.E.P. Licences should, as far as possible, consolidate their requirements and submit the applications, in duplicate, to the Chief Controller of Imports and Exports (C.G. Division), New Delhi, through the Central Water and Power Commission (Power Wing), Government of India.

(2) The applications should be accompanied by (i) I.V.C. Regn./ Exemption Number, (ii) Treasury Receipt towards the payment of requisite application fee, and (iii) any other document/information considered necessary or required in terms of the policy in force.

142. *Special form for issue of licences.*—Licences for Heavy Electrical Plant will bear the distinctive mark 'H.E.P.' and will be issued in the same special form as in the case of licences for Capital Goods.

143. *Validity period of licences.*—The initial period of validity and procedure for extension of H.E.P. licences will be the same as in the case of licences for capital goods as indicated in paragraph 133 above.

144. With regard to revalidation and amendment of c.i.f. value of H.E.P. licences the applicants are advised that requests for such amendments and revalidation may be routed through the Central Water and Power Commission to the Chief Controller of Imports and Exports (C.G. Division).

(C)—Machine Tools

145. *Procedure in respect of machine tools.*—The rules and procedure applicable to capital goods as set out in earlier paragraphs will also apply to Machine Tools.

146. *Submission of applications.*—(1) Actual users in the small scale sector and other actual users referred to in paragraph 118(5) above, should make applications for import of machinery and machine tools upto Rs. 8,000/- to the regional licensing authority concerned, as provided in paragraph 82 of this book. The applications should be made in duplicate in the prescribed form (Form 'B') and should be sent through the sponsoring authority concerned. The sponsoring authority will forward the application to the licensing authority concerned with his recommendation. If the sponsoring authority recommends the import of any banned category of machine tools, he will do so only after obtaining indigenous clearance from the DC(SSI) New Delhi (and give a specific certificate to this effect in his recommendation. Before recommending a

licence for import of machine tools, the sponsoring authority will also verify in regard to the availability of the machine tools in question with the State Trading Corporation of India, and import will be recommended only for such items as are neither available indigenously nor from the stocks of the S.T.C.

(2) Actual users borne on the books of the D.G.T.D. should also submit their applications for import of machinery and machine tools for a value not exceeding Rs. 16,000/- in the form prescribed for raw materials, components and spares. Such applications will be considered by the CCI&E, New Delhi on the recommendation of the D.G.T.D. against the ceiling earmarked or allocated for raw materials components and spares.

(3) Applications for import of machine tools for values exceeding the limits indicated in sub-paras (2) and (3) of this paragraph, should be made in the prescribed form 'E' to the CCI&E New Delhi. The application should be accompanied by 7 copies of the list of items sought to be imported.

(4) The applications under sub-para (2) above should be made in the manner indicated below:—

(a) The Scheduled Industries borne on the books of the Directorate General of Technical Development should send their applications through the Deputy Director (Co-ordination), Directorate General of Technical Development, Udyog Bhavan, New Delhi.

(b) The Small Scale Industries should make their applications through the sponsoring authority concerned and the Development Commissioner, Small Scale Industries, New Delhi. The applicant should send his application to the sponsoring authority concerned, who will forward the same with his recommendation to the D.C. (SSI), New Delhi.

(c) Scheduled industries not borne on the books of the D.G.T.D. and non-scheduled industries other than small Scale should send their applications through the sponsoring authority concerned.

(5) The applications should be accompanied by (i) I.V.C. registration/exemption number, (ii) Treasury Receipt showing the payment of the requisite amount of application fee, and (iii) Any other information/document considered necessary or required in terms of the policy in force.

(6) All actual users should include their requirements for import of spares of Machine Tools in their consolidated applications for import of raw materials, components and spare parts.

147. Import licences will not normally be granted to actual users for machine tools which are manufactured in India. For the list of such machine tools, the actual users should consult the relevant Import Trade Control Policy Book.

148. *Full description of machine tools to be furnished.*—All applications should contain, as far as possible, full description of the machine tools desired to be imported, together with the c.i.f. value of each item separately. Descriptive catalogues, if available, should also be sent along with the application.

149. *Permissible types of machine tools.*—For the permissible types of machine tools importers should consult the Import Trade Control Policy Book for the relevant period.

150. *Spares for banned machine tools.*—Applications for spares of such Machine Tools as are banned will be considered in consultation with the Development Officer (Tools), in the Directorate General of Technical Development, New Delhi.

151. *Licences to meet specific orders placed by D.G. (S. & D.) etc.*—Licences will continue to be granted to meet specific orders placed by the Director General of Supplies and Disposals and Government Railways and N.S.I.C. (Pvt.) Ltd. The applications for licences should be made to the Chief Controller of Imports and Exports, New Delhi.

152. *Validity of licence.*—The period of validity of import licences for Machine Tools will be as indicated in Chapter (X) of this book.

153. Applications from Actual Users for import of second-hand Machine Tools must be accompanied by a Chartered Engineer's certificate bringing out the following information:—

(i) Full specification of the second-hand machine tool, Maker's name for the machine and price of the machine or similar machine if bought new.

(ii) Year of make.

(iii) Name of the firm which carried out reconditioning/repairs, if any, and nature of repairs carried out.

(iv) Present condition and expected life subject to normal care and maintenance and use within its designed capacity.

(v) Professional standing of the Chartered Engineer who should normally be an independent party having nothing to do with the firm selling the second-hand machine.

(vi) Photograph of the machine if available.

Requests for issuing of import licences for second-hand Machine Tools subject to the condition that the requisite Chartered Engineer's certificate would be produced to the satisfaction of the licensing authority before shipment is effected, would also be considered on merits in consultations with Development Officer (Tools).

CHAPTER VII

Special Licensing Schemes

154. *Equipments for Irrigation Projects.*—(1) The Scheme for the import of machinery and equipment required by irrigation projects will apply to import applications of an aggregate value of Rs. 25,000 or more in respect of any project or subsidiary thereof.

(2) Subject to the provisions of sub-para (1) above, the scheme will apply to the following goods classifiable under Parts I, II and V of the I.T.C. Schedule:—

Part I.—Serial No. 17—Cast iron and steel valves and similar controls for Water Works, Irrigation and Hydro Electric Schemes.
Serial No. 20—Fabricated gates for dams and barrages.

Part II.—Serial No. 9—Iron and steel articles and controls including cocks and taps for dams and barrages.
Serial No. 36—All goods included in Serial Nos. 36(1), 36(2), 36(3), 36(4) and 36(5)—required for Irrigation Hydro-Electric Schemes.

Part V.—Serial No. 65—All goods falling under Serial Nos. 65 (1), 65(2), 65(3), 65(4), and 65(5) when required for Irrigation Projects.
Serial No. 92—Water meters and measuring instruments required for Water Works, Irrigation and Hydro-Electric Projects.

(3) The applications for equipments and machinery for irrigation projects will be considered in the same way as the applications for Capital Goods. An applicant should submit one consolidated application in respect of all his requirements instead of making piecemeal applications. The applications should be made in duplicate in the application form prescribed for Capital Goods and Heavy Electrical Plant as given in this book (*i.e.*, Form 'E'), to the Chief Controller of Imports and Exports, New Delhi, through the Central Water and Power Commission, New Delhi.

(4) The application should be accompanied by I.V.C. Regn. Exemption Number, the Treasury Receipt, showing payment of application fee, seven copies of the list of goods applied for, and any other document relied upon by the applicant or considered necessary in terms of the policy in force.

(5) The period of validity of the licences granted under this scheme has been indicated in Chapter X of this book.

155. *Government Contracts—Stores Ordered by the Director General of Supplies and Disposals.*—(1) Special arrangements have been made to deal with applications for import licences by persons or firms, etc. to cover

goods in respect of which a contract has been placed on them by the Director General of Supplies and Disposals.

(2) In such cases, the applicant should obtain from the appropriate Director of Supplies an Import Recommendation Certificate (IRC) showing *inter alia*:—

(i) The number and date of the contract.

(ii) Description of goods.

(iii) Contractual value of goods.

(iv) C.I.F. value of goods.

(v) Expected period of delivery.

(vi) Name of the indentor.

(vii) Reference number and date under which foreign exchange has been released.

(viii) Source from which foreign exchange is provided and mode of payment.

(ix) Number and date under which indigenous clearance has been obtained from the D.G.T.D. in respect of the goods sought to be imported.

NOTE.—It may be clarified that no indigenous clearance will be necessary for the import of goods which are licensable to actual users in terms of the import trade control policy in force at the time of making the application for the licence. In respect of all other items, it will be necessary for the D.G.S.&D. to obtain indigenous clearance from the D.G.T.D. before recommending the import.

(3) On receipt of the above-mentioned certificate the applicant should make out a single application in respect of each contract, covering all goods under Parts I, II, III, IV and V of the I.T.C. Schedule (other than controlled categories of Iron and Steel) in the form prescribed for established importers (*i.e.* form 'A') as given in this book. The words 'Established Importers' as the head of the application form should, however, be struck off and replaced by words 'D.G.S. & D. CONTRACTS' in red ink, and clause 7 of the form should also be deleted. The application should be forwarded to the Chief Controller of Imports and Exports (Licensing Division, D.G.S. & D. Contracts), New Delhi, attaching the certificate from the Director of Supplies, in original.

(4) The applications should be accompanied by I.V.C. Regn. Exemption Number, the Treasury Receipt showing payment of application fee, 5 copies of the list of goods sought to be imported and any other document relied upon by the applicant or considered necessary in terms of the policy in force.

(5) The period of validity of the licences issued under these provisions is indicated in Chapter X of this book.

(6) The applications will be entertained as and when received during the course of a licensing period.

(7) Licences issued on the basis of such applications will not deprive the importer of his normal quota entitlement, if any, nor will any benefit

be given to him for any imports made under this scheme in calculating the importer's quota.

(8) In addition to any other conditions which may be imposed on or applicable to the licences issued under this Scheme, the following condition will also be imposed:

"This licence is issued subject to the condition that the goods imported shall be utilised or disposed of in the manner as stipulated in D.G.S.&D. Order No..... dated ..... and the imported goods shall not be utilised or disposed of in any other manner without the prior written approval of the licensing authority."

156. *Government Contracts—Stores ordered by State Railways.*— (1) Special arrangements have also been made to deal with applications for import licences by persons or firms, etc. to cover orders placed on them by State Railways.

(2) The applicant should make out a single application in respect of each contract covering all the goods under Parts I, II, III, IV and V of the I.T.C. Schedule (other than controlled categories of Iron and Steel) in the form prescribed for Established importers (i.e. Form 'A') as given in this book. The words 'Established Importers' at the head of the application form should, however, be struck off and replaced by the words 'Railway Contracts' in red ink, and clause 7 of the form should also be deleted. The application should be forwarded to the Chief Controller of Imports and Exports (Licensing Division, Railway Contracts) through the Railway Liaison Officer, New Delhi.

(3) While recommending the import, the Railways should invariably give the following particulars *inter-alia*:—

(i) Railway order number and date.

(ii) Description of goods sought to be imported.

(iii) C.I.F. value of the goods.

(iv) Expected period of delivery.

(v) Name of the indentor.

(vi) Reference number and date under which foreign exchange has been released.

(vii) Source from which foreign exchange is provided and mode of payment.

(viii) Reference number and date of the D.G.T.D. under which indigenous clearance has been obtained.

NOTE:—It may be clarified that no indigenous clearance will be necessary for the import of goods which are licensable to actual users in terms of the import trade control policy in force at the time of making the application for the licence. In respect of all other items, it will be necessary for the D.G.S. & D. to obtain indigenous clearance from the D.G.T.D. before recommending the import.

(4) The provisions made in sub-paras 4, 5, 6, and 7 of paragraph 155 above will also be applicable in the case of Railway Contracts.

(5) In addition to any other conditions which may be imposed on or applicable to the licences issued under this Scheme, the following condition will also be imposed:

"This licence is issued subject to the condition that the goods imported shall be utilised or disposed of in the manner as stipulated in Railway Order No. ..... dated ..... and the imported goods shall not be utilised or disposed of in any other manner without the prior written approval of the licensing authority."

157. *Import requirements of Universities, Educational Institutions, Research Organisations, Technical/Technological Institutions and Hospitals.*— (1) All applications for the grant of import licences in respect of the requirements of Universities, Educational Institutions, Research Organisations, Technical/Technological Institutions and Hospitals should be made to the Chief Controller of Imports and Exports, New Delhi, unless otherwise provided in the relevant import trade Control policy book.

(2) Applications from departments and constituent colleges of Universities and Institutions affiliated thereto (excluding medical and agricultural institutions) should be routed through the University Grants Commission, New Delhi, and those from technical/technological institutions through the Ministry of Education, New Delhi. The applications from Hospitals and Medical Colleges should be made through the Health Department of the Central or State Government concerned. The applications from agricultural institutions should be routed through the Ministry of Food, Agriculture, Community Development and Cooperation (Department of Agriculture), New Delhi.

(3) The applications should be made in the form prescribed for actual users (form 'B') as given in this book and it should be a consolidated application covering all the items sought to be imported. Each application should be accompanied by the following:—

(A) Seven copies of the list of goods covered by the application. The quantity and value in respect of each item should be given in the list. Where an applicant has to import goods through different agents by obtaining letters of authority in favour of such agents, the application for licence should be accompanied by separate lists of goods to be imported by him through each agent. In such cases, the applicant can also make separate applications for licences in respect of goods to be imported by him through different agents.

(B) A statement indicating:—

(i) The department/course/subject, etc. or other purpose, if any for which the stores covered by the application are required;

(ii) The details of the same stores already possessed by the institution;

(iii) Particulars (No. date and value) of each licence issued to the institution for the same stores during the last three licensing period and the extent of its utilisation;

(iv) Whether the stores covered by the application are required for the replacement of old stores or for expansion;

(v) Whether the stores covered by the application are required for the implementation of any scheme (a brief summary to be given of the scheme, if any) sanctioned by any authority (to be named); and

(vi) Whether and why the import of the stores covered by the application (a) is considered urgent and inescapable and (b) cannot be postponed.

(C) A statement giving particulars (No. and date, description of stores and value) of the applications submitted by the institution during the licensing period covered by the application.

(D) A statement giving the following additional information:—

By Educational Institutions.—(i) Whether the institution is recognised by any competent body such as a University or a Board and if so, the name of the University or Board, etc., concerned;

(ii) Whether the institution forms a department or a constituent or affiliated institution of University;

(iii) Whether the institution is managed by Government or some Corporation/Municipality etc. (to be named); and if managed by Government, whether it is managed by the Central or the State Government;

(iv) The number of students on roll;

(v) The post-graduate courses conducted;

(vi) The number of students undergoing each post-graduate course; and

(vii) Particulars of grants, if any received from Central or State Government or the University Grants Commission or any other body (to be named).

By Hospitals.—(i) Whether the institution is managed by Government or some Corporation/Municipality, etc. (to be named); and if managed by Government, whether it is managed by the Central or the State Government;

(ii) Number of wards and beds in each ward;

(iii) Particulars of Grants, if any, received from the Central or the State Government or any other body (to be named).

By Research Institution.—(i) Whether the institution is managed by Government or some Corporation/Municipality, etc. (to be named); and if managed by Government, whether it is managed by the Central or the State Government;

(ii) Whether the institution forms a department or a constituent or affiliated institution;

(iii) Number of research workers on roll;

(iv) Subject on which research is conducted; and

(v) Particulars of grants, if any, received from the Central or the State Government or the University Grants Commission or any other body (to be named).

(4) Hospitals, medical colleges and research/agricultural institutions, while applying for important licences, should also furnish the following information in quintuplicate:—

(i) An inventory of the major equipment and apparatus available with the applicant.

(ii) Whether the equipment proposed to be imported is new complete or a major replacement.

(iii) Details of import licences obtained by the applicant during the past years from 1962-63 in the form indicated below:—

(a) Licensing period.

(b) Licence No. and date.

(c) Amount in Rupees.

(d) Brief description of goods.

(e) Whether import effected.

(5) The production of I.V.C. Regn/Exemption Number has been dispensed with in the case of applications for licences for goods required for actual use in educational or charitable institutions which are exempt from payment of income tax. Also in terms of the Imports (Control) Order, 1955, the educational, charitable or missionary institutions when applying for import of goods required for their own consumption are exempt from payment of application fee.

158. *Imports from Afghanistan.*—Imports from Afghanistan are regulated in terms of the Trade Agreements entered into between the Governments of India and Afghanistan from time to time.

159. *Imports from Nepal.*—Unless otherwise provided, Imports and exports of goods from and to Nepal are allowed without import and export control, restrictions, provided the goods are either the produce of or manufactured in the respective countries. The export of raw jute and Mesta to Nepal will, however, be regulated in accordance with the provision of the Exports (Control) order 1962, as laid down in the Ministry of Commerce, Public Notice No. 5ETC(PN)/67 dated 14th February, 1967.

160. *Imports by Traders in Jammu and Kashmir.*—Established Importers in the State of Jammu and Kashmir are, at present, allowed a weightage of 50 per cent over their quota entitlements for permissible items. They are, however, require to (i) bring the goods imported by them into the State of Jammu and Kashmir, (ii) their arrival is reported to the Director of Supplies, Jammu and Kashmir, and (iii) they are not to be put up for sale without physical verification by the Director of Supplies.

161. *Licensing under Trade Arrangements.*—The Government of India have signed Trade Agreements with a number of foreign countries. These Trade Agreements are revised from time to time. In addition to the Trade Agreements, special payments and trade arrangements have also been worked out with respect to some of the countries. Licences under the special payments and trade arrangements with these particular countries are issued from time to time. For particulars the importers are advised to contact the Chief Controller of Imports or the Ministry of Commerce, New Delhi.

162. *Grant of licences to Wholesale/Central Stores.*—(1) The scheme for licensing of specific goods to Consumers' Cooperative Societies which was in force upto April 1963—March 1964 licensing period has been withdrawn. However, in order to give facility to the Consumers' Cooperative Societies to procure certain essential items required for use by their members, import licences in respect of a few selected consumer goods may be allowed through Wholesale/Central Stores recognised by the Department of Cooperation, Government of India, New Delhi for distribution by such Wholesale/Central Stores to Consumers' Cooperative Stores. Such licences will be granted in terms of the import policy in force from time to time.

(2) The eligible Whole-sale/Central Stores should submit their applications for licences in the application form prescribed for actual users (Form 'B') as given in this book, to the Chief Controller of Imports and Exports, New Delhi in terms of the relevant import policy. The application should be accompanied by treasury/bank receipt showing payment of application fee on the value applied for, and any other document/information considered necessary or required in terms of the provisions of this book or the relevant Import Trade Control Policy Book or any other Public Notice/Trade Notice issued in this regard.

(3) Applications will be considered in terms of the relevant policy in force and licences for reasonable values wherever admissible depending upon the availability of ceiling will be granted.

(4) The Whole-sale/Central Stores will not be eligible to established quotas on the basis of imports made against licences issued to them under this provision. Therefore the licences issued to them will be marked "NQQ" (not qualifying for quota).

(5) The following condition will be endorsed by the licensing authority on the licences granted to Whole-sale/Central Stores apart from any other conditions imposed or deemed to have been imposed on such licences under clause 5 of the Imports (Control) Order, 1955:—

> "This licence is issued subject to the condition that the goods imported shall be distributed or disposed of to Consumers' Cooperative Stores under the directions of the licensing authority or any other authority specified in this behalf".

(6) The Whole-sale/Central Stores applying for licences under these provisions should submit a consolidated application in respect of the items permissible for import under the relevant import trade control policy.

CHAPTER VIII

Public Sector

PART *A—Industrial undertakings in the public sector*

163. The industrial undertakings in the public sector have been divided into two categories, and the procedure for submission of import applications in respect of each category is different. These two categories are:—

(i) Industrial undertakings in the public sector, excluding industrial undertakings which are run departmentally by Central or a State Government, and

(ii) Industrial undertakings which are run departmentally by Central or a State Government.

Import of raw materials, components and spares

(i) *Industrial undertakings excluding departmentally run undertakings.*

(a) PRIORITY INDUSTRIES

164. A list of the priority industries is given in Appendix 26 to this book.

165. *Procedure and frequency for submission of applications.*—(1) Applications for import licences from industrial undertakings in the public sector, engaged in the priority industries (excluding the undertakings which are run departmentally by the Central or a State Government), will be sponsored by the Directorate General of Technical Development. Such undertakings should, therefore, submit their applications for the import of raw materials, components and spares to the Chief Controller of Imports and Exports, New Delhi, through the Directorate General of Technical Development (Import Cell). The applications will be forwarded by the Directorate General of Technical Development, with their recommendations, to the Chief Controller of Imports and Exports, New Delhi, for necessary action.

(2) There will be no fixed dates or periods for making the import applications. The industrial undertakings can apply for import licences for raw materials, components and spares after utilising the previous set of licences for raw materials, components and spares to the extent of 90 per cent by way of opening letter of credit or 60 per cent by way of actual importation. Every time, an application for the licence is made, it should cover six months' requirements of the unit. Alongwith each application, the applicant should produce evidence showing utilisation of the previous set of licences in the form of original or photostat of the Exchange Control or Customs copy of the licence(s), as the case may be.

(3) The applications should be made, in duplicate, in the prescribed form 'C' as given in this book, accompanied by :

(i) Treasury/Bank receipt showing the payment of application fee on the value applied for;

(ii) The required number of copies of the list of items sought to be imported;

(The number of copies of the list of items likely to be required should be calculated by the applicant on the basis of seven copies for each licence of the set of previous licences issued. Out of these seven copies, one copy will be returned by the Directorate General of Technical Development to the applicant with such amendments as may be made by the D.G.T.D.)

(iii) Any other document/information considered necessary or required in terms of the provisions of this book or relevant Import Trade Control Policy Book or any other Public Notice/ Trade Notice issued in this regard.

(b) INDUSTRIES OTHER THAN THE PRIORITY INDUSTRIES

166. *Procedure and frequency for submission of applications.*—(1) Industrial undertakings in the public sector, engaged in industries other than the priority industries, excluding the industrial undertakings which are run departmentally by Central or a State Government, should make their applications for raw materials, components and spares to the Chief Controller of Imports and Exports, New Delhi, through the administrative Ministry concerned and the Directorate General of Technical Development (Import Cell).

(2) There will be no last date for submission of applications for such units. The first application from such units during a licensing period for import of raw materials, components and spares, covering the requirements for six months, should be made after utilising the previous set of licences for raw materials, components and spares issued to the unit to the extent of 90 per cent by way of opening letter of credit or 60 per cent by way of actual importation. The evidence showing the utilisation of the previous set of licences should be furnished with the application as indicated in paragraph 165 (2) above. In deserving cases, the applications made before fulfilment of the condition regarding utilisation of the previous set of licences may also be considered on merits.

(3) The second application during a licensing period, for the import of raw materials, components and spares, covering further requirements for six months, may be made after utilising the previous set of licences to the extent of 90 per cent by way of letter of credit or 60 per cent by way of actual importation. The evidence regarding utilisation of the previous licences should be furnished as indicated in the paragraph 165 (2) above.

(4) The provisions of sub-paragraph 165 (3) above, will also apply to these industrial undertakings.

(ii) *Undertakings run departmentally by Central or a State Government.*

167. *Procedure for submission of applications.*—(1) Import licences for raw materials, components and spares to industrial undertakings in the public sector run departmentally by Central or a State Government, will be granted against the specific foreign exchange ceilings allocated/released by the Government of India and on the basis of the indigenous clearance given by the D.G.T.D.

(2) The applications for licences may be made by such undertakings to the Chief Controller of Imports and Exports, New Delhi, or to the regional licensing authorities concerned.

(3) The applications should be supported by a letter of the administrative Ministry of the Government of India indicating the sanction for the release of foreign exchange to cover the imports sought to be made. Such letter should also certify in clear terms that clearance from indigenous angle has been obtained from the D.G.T.D., and that the concurrence of the Ministry of Finance (Department of Economic Affairs), Government of India for expenditure of foreign exchange has been obtained.

(4) The provisions of sub-paragraph 165(3) above will also apply to these undertakings. It may, however, be clarified that a public sector project/undertaking run as a department or an office of the Central Government or a State Government is exempt from the payment of application fees.

168. *Consolidated applications.*—It should be noted that an industrial undertaking should submit a consolidated application for an import licence covering its requirements of raw materials, components as also, spare parts, including spare parts or machine tools for the particular industry to which the application pertains. However, where an undertaking has to import goods through different agents by obtaining letters of authority in favour of such agents, the application for the licence should be accompanied by separate lists of goods to be imported through each agent. In such cases the applicant can also make separate applications for licences in respect of goods to be imported through different agents.

169. *Processing of applications and basis of licensing.*—(1) In the case of applications from industrial undertakings in the public sector which are sponsored by the D.G.T.D., in terms of the provisions made in the preceding paragraphs, the D.G.T.D. will scrutinise the applications both from the point of view of essentiality of goods sought to be imported and also from indigenous angle. In the case of priority industries, the D.G.T.D. will also ensure adherence to phased programmes. After such scrutiny, the D.G.T.D., will forward the applications to the Chief Controller of Imports and Exports, New Delhi with their recommendations indicating the value, the source of financing and the items recommended for import.

(2) The recommendation of the D.G.T.D. will be forwarded to the Chief Controller of Imports and Exports alongwith one copy of the application for the licence in each case and the treasury challan furnished by the party. The required number of copies of the lists of goods recommended for import by the D.G.T.D., including one copy of the list duly attested by them, will also be sent to the Chief Controller of Imports and Exports alongwith the recommendation in all cases. The D.G.T.D. will also send a copy of their recommendation to the applicant, returning to him therewith one copy of the list of goods applied for, with such changes as may be made by them in the list.

(3) On receipt of the application and the recommendation from the D.G.T.D., the licensing authority will check the treasury challan, and if the application is found to be in order, the licence will be issued or refused, as the case may be, based on the recommendation of the D.G.T.D. The value or quantitative limit, if necessary, in respect of any item allowed

to be imported, will be imposed by the licensing authority on the basis of the recommendation of the D.G.T.D.

(4) In the case of applications from departmentally run industrial undertakings, which are not to be sponsored by the D.G.T.D., the licensing authority will consider the applications on the basis of the foreign exchange release and the indigenous clearance obtained by the applicant as indicated in sub-paragraph 167 (3) above.

(5) The licensing authority will issue consolidated licences to each industrial undertaking for the import of raw materials, components and spares. However, instead of issuing consolidated licences against a particular application, the licensing authority may issue separate import licences in the following types of cases:—

(a) Where the goods are sought to be imported by the applicant through different agents on the basis of letters of authority;

(b) Where the mode of payment is different, such as Free foreign exchange, Aid, Rupee, etc., and

(c) Where the goods are to be imported through different ports.

170. *Flexibility.*—The flexibility provided to actual users in the utilisation of their import licences for raw materials, components and spares in terms of paragraphs 84 and 85 of this book will also be applicable to the import licences for raw materials, components and spares issued to the industrial undertakings in the public sector.

171. *Emergency licences for spares.*—The facility provided to actual users for the grant of emergency licences for import of spare parts will also be available to the industrial undertakings in the public sector, upto a total value of Rs. 10,000/- in each case during the course of a year. The applications for emergency spares can be made by the undertakings to the Headquarters Office of the Chief Controller of Imports & Exports or to the regional licensing authority concerned. In each application, the undertaking should indicated the value of emergency spares licences already obtained or applied for during the year.

172. *Applications for amendment in the licences.*—The applications for amendment in licences should be made by the licensees direct to the licensing authority concerned. Where any change in the description or value of goods is sought, the application for amendment should be made through the Directorate General of Technical Development in the case of undertakings sponsored by the D.G.T.D. In the case of undertakings not sponsored by the D.G.T.D., the application for amendment in value or goods should be supported by the same evidence as is necessary for obtaining an import licence.

173. *Applications for revalidation.*—The applications for revalidation of licences should also be made direct to the licensing authorities concerned, in the prescribed application form as given in this book. While applying for revalidation of licence issued for the import of goods under Foreign Credit, Loan or Aid, or other tied resources, it should be clearly indicated whether the date/period up to which revalidation is asked for, falls within the date/period of terminal delivery fixed under the particular credit, etc.

174. *Industrial undertakings of State Governments.*—The procedure applicable to the industrial undertakings in the public sector in the preceding paragraphs will also apply to the industrial undertakings of the State Governments.

Import of capital goods (plant and equipment)

175. The public sector projects/undertakings should submit their applications for import of capital goods in the prescribed form (Form 'E') as given in appendix 3. The applications should be supported by the following:—

(i) Seven copies of the list of items sought to be imported.

(ii) A treasury receipt showing the payment of application fee on the value applied for. (It may be clarified that a public sector project/undertaking run as a department or an office of the Central or State Government is exempt from the payment of application fee).

(iii) Any other document/information considered necessary or required in terms of the provisions of this book or the relevant import trade control policy book or any other public notice/ trade notice issued in this regard.

176. The applications for licences should be made to the Chief Controller of Imports & Exports, New Delhi, in the manner indicated below:—

(i) The applicant should send his application to the D.G.T.D.

(ii) The D.G.T.D., after giving their comments from the indigenous angle and essentiality, will forward the application to the administrative Ministry concerned in the Central Government.

(iii) The administrative Ministry concerned will forward the application to the Chief Controller of Imports & Exports, New Delhi, with their recommendation and also indicate the necessary release of foreign exchange, if they recommend the import.

177. The industrial undertakings in the public sector should send reports on quarterly basis to the administrative Ministry concerned in the Central Government and to the Ministry of Finance (Department of Economic Affairs), New Delhi, indicating the amount of foreign exchange utilised by obtaining licences for the import of capital goods in a particular licensing period.

178. The public sector projects/undertakings should submit consolidated applications for the import of capital goods, preferably not more than twice in a licensing period. They should also mention the specifications, quantity and value in respect of the items applied for. The quantitative restrictions, if necessary, in respect of any item, will be imposed by the licensing authority on the basis of the recommendation of the D.G.T.D.

179. Applications for import of equipment and machinery needed for emergency requirement, or in the event of sudden breakdown, should be made by public sector projects/undertakings direct to the Chief Controller of Imports & Exports, New Delhi. Such applications need not be sent through the D.G.T.D. or the administrative Ministry concerned. In the forwarding letter of the application, the applicant should indicate the number and date of the licence against which the goods in question were originally imported.

PART B—*State Electricity Boards/Projects*

(i) *Import of maintenance and operational items of spares and stores.*

180. Applications for the import of maintenance and operational items of spares and stores should be made by the State Electricity Boards/Projects in the form given in appendix 3. Such applications should be made to the Chief Controller of Imports and Exports, New Delhi, or to the regional licensing authority in whose jurisdiction the applicant is situated. In the latter case, the State Electricity Board/Project concerned should send an intimation to the Chief Controller of Imports and Exports, New Delhi (Project Licensing Section), in advance, in the beginning of the licensing period. In such cases, the applications, if any, received by the Chief Controller of Imports and Exports, New Delhi, will be forwarded by him to the regional licensing authority concerned for disposal.

181. The applications should be supported by the following:—

(i) An attested copy of the letter containing sanction of the release of foreign exchange to cover the imports sought to be made.

(ii) A certificate to the effect that the items sought to be imported are not available from indigenous sources, or available in specific delivery period not suitable for the purpose for which the import is intended to be made, and that in the case of banned items, a specific clearance from the Central Water and Power Commission has been obtained.

(iii) Five copies of the list of goods sought to be imported duly signed by the applicant.

(If the goods are to be imported against more than one mode of financing, *e.g.*, Free Foreign Exchange, Rupee, Foreign Credit, etc., the application should be supported by five copies of the list of items to be imported against each such mode of financing).

(iv) A treasury receipt showing the payment of application fees on the value applied for.

(It may be clarified that a Project or a Board or undertaking run as department or office of the Central or a State Government is exempt from the payment of application fees).

(v) Any other document/information considered necessary or required in terms of the provisions of this book or the relevent Import Trade Control Policy Book or any other Public Notice/Trade Notice issued in this regard.

182. Where an allocation has been made by an appropriate authority to any State Electricity Board/Project for the import of maintenance and operational items of spares and stores, it will not be necessary for such an applicant to produce with the application for an import licence, the letter containing the sanction of foreign exchange referred to in sub-paragraph 181(i) above. Instead, in such a case the applicant should send with his application a certificate to the effect that the value of the goods applied for is within the allocation made to the concerned Board/Project/undertaking for the import of maintenance and operational items of spares and stores.

183. After the import of the goods against the licence issued for the import of maintenance and operational items of spares and stores, the licensee should invariably send to the Central Water and Power Commission, New Delhi, a list of the items actually imported against the licence. The Central Water and Power Commission will undertake a check of the items actually imported having regard to indigenous availability.

184. The State Electricity Board/Project/Undertaking should also send reports on quarterly basis, to their administrative Ministry concerned of the Central or the State Government, as the case may be, and to the Ministry of Finance, Department of Economic Affairs [F.E.B. (II) Branch], New Delhi, indicating the amount of foreign exchange utilised by obtaining licences for the import of maintenance and operational items of spares and stores in a particular licensing period.

Import of raw materials, components and major assemblies

185. The State Electricity Boards/Undertakings/Projects should make their applications for the import of raw materials, components and major assemblies to the Chief Controller of Imports and Exports, New Delhi, in the manner indicated below:—

(i) The application should be sent to the Central Water and Power Commission, New Delhi, in the form given in Appendix 3.

(ii) The application should be in duplicate and supported by the following:—

(a) A treasury receipt showing the payment of application fees on the value applied for.

(It may be clarified that a State Electricity Board or Undertaking or a Project run as a Department of the Central or a State Government is exempt from payment of application-fees).

(b) Seven copies of the list of items sought to be imported.

(c) Any other document/information considered necessary or required in terms of the provisions of this book or the Import Trade Control Policy Book or any other Public Notice/Trade Notice issued in this regard.

(iii) The Central Water and Power Commission will forward one copy of the application along with the treasury challan and five copies of the list of goods, including one copy duly attested by them, to the Chief Controller of Imports and Exports, New Delhi, with their recommendation.

(iv) The Central Water and Power Commission will also send a copy of the list of the items to the applicant for his information, with such amendments as may be made by them in the list.

Capital goods and electrical plants

186. The procedure for submission of applications, for import of capital goods and electrical plants by the State Electricity Boards/Undertakings Projects will be the same as indicated for the public sector undertakings in this chapter, except that indigenous clearance in such cases will be given by the Central Water and Power Commission in place of the D.G.T.D.

187. Applications for amendments in licences should be made by the State Electricity Boards/Undertakings/Projects direct to the Chief Controller of Imports and Exports, and not through the Central Water and Power Commission. However, where any change in the value or description of goods is sought, the application for amendment should be routed through the Central Water and Power Commission.

188. Applications for revalidation of licences should also be made direct to the Chief Controller of Imports and Exports, New Delhi. While applying for revalidation of licences issued for the import of goods under foreign credits, loans, aids or other tied resources, it should be clearly indicated whether the date/period upto which revalidation is asked for, falls within the date/period of terminal delivery fixed under the particular credit, etc.

PART C—*Government departments/projects*

189. Import licences to Central and State Government departments/projects will be granted against the specific foreign exchange ceilings allocated/released by the Government of India and on the basis of the indigenous clearance given by the D.G.T.D.

190. The applications for licences may be made to the Chief Controller of Imports and Exports, New Delhi, or to the regional licensing authorities concerned.

191. The applications for the licence should be made in form 'B' as given in this book. The applicant should send only one copy of the application to the licensing authority, accompanied by the following:—

(i) A letter from the administrative Ministry of the Government of India indicating the sanction for the release of foreign exchange to cover the import sought to be made. Such a letter should also certify in clear terms that clearance from indigenous angle has been obtained from the D.G.T.D. and that the concurrence of the Ministry of Finance (Department of Economic Affairs), Government of India for expenditure of foreign exchange has been obtained.

(ii) Five copies of the list of goods sought to be imported, as cleared by the D.G.T.D. from indigenous angle.

NOTE.—It may be clarified that the Central and State Government departments and projects run as a department of the Central or a State Government are exempt from application fees.

PART D—*Non-industrial undertakings in the public sector.*

192. The procedure indicated in paragraphs 189 to 191 above will also apply to non-industrial undertakings in the public sector.

CHAPTER IX

REPLACEMENT LICENCES

193. Replacement licences or Customs Clearance Permits for the import of goods to replace those which are short-supplied, short-landed, lost or damaged in transit or those found defective or otherwise unfit for use after import, will be granted in terms of the provisions contained in the succeeding paragraphs.

Short-shipment, short-landing or loss in transit before import

194. Where the import of goods would have been covered by a valid licence if they had in fact arrived, but are short-supplied, short-landed or lost in transit prior to actual import, and are detected as such at the time of clearance through Customs, no fresh licence would be issued to cover the goods supplied in replacement thereof, if the original licence is available for their import. If the original licence has expired, it may be revalidated to facilitate the import of such goods.

Loss or damage after import

195. (1) In cases where goods are lost or damaged after import, replacement licences may be issued by the licensing authority; but this provision will be applicable only when the loss or damage is caused on the docks after landing or at any subsequent stage upto the arrival of the goods at the inland destination, provided the goods in question were covered by insurance policy at the time of such loss or damage. In such cases, the application for replacement licence may be considered on production of the following documents:—

(i) The insurance survey certificate issued by the Lloyds Agents or any other authorised insurance surveyors to the effect that the goods were actually lost or damaged while on the docks after landing or in transit as the case may be.

(ii) A certificate from the insurance company to the effect that they have accepted the claim for payment of Rupees———— (the amount to be specified) as the cost of the goods lost or damaged.

N.B.—Where it is confirmed by the insurers or their local agents that separate insurance survey has not been conducted and that the claim has been settled on the basis of survey conducted by the steamer agents, or on the basis of the certificate of examination by the Customs, or the certificate of non-delivery issued by the Port Trust Authorities, the licensing authority may accept such certificate/survey report issued by the steamer agents or Customs or Port Trust Authorities in lieu of insurance survey certificate. However, if the survey report or the certificate produced by the applicant does not give specific details in regard to the loss or damage claimed, he may be asked to produce additional evidence such as correspondence exchanged with the carriers, insurers, port trust, etc. where the goods have been lost or damaged in transit and the insurance claim

has been settled on the basis of a certificate to this effect issued by the railway authorities, the licensing authority may also accept such certificate in lieu of insurance survey certificate.

(2) In cases where an insurance policy has been taken from a non-resident insurance company, the replacement licence under sub-para. (1) above will be issued subject to the following condition:—

"The licence shall not be used for remittance abroad except with the prior approval of the Reserve Bank of India."

(3) Where an insurance policy has been taken from an Indian company, a replacement licence under sub-para (1) above may be issued without the condition mentioned in sub-para (2) above, provided the licensing authority is satisfied on the basis of evidence in the form of a certificate from the insurance company that the insurance policy in respect of the goods lost, damaged etc. had been issued by the company in India and the claim has been accepted for payment in Indian rupees.

Note.—It may be clarified here that under the Exchange Control Manual, Indian branches and agencies of Indian insurance company whose head offices are outside the Indian Union are regarded for Exchange Control purposes as resident in India and are subject to the same regulations as companies registered in India. Therefore, it has been decided that insurance cover taken by the Indian importers with such Indian branches of the insurance companies incorporated abroad is to be treated as insurance placed with resident company in respect of which insurance claim will be settled in rupees locally.

(4) If the insurer settles the claim on the condition that the damaged/defective goods shall be surrendered to him, the replacement licence issued under sub-para (1) above will also bear the following condition:—

"The damaged/defective goods shall be surrendered to the insurer who has settled the claim."

Goods found defective or unfit for use after import

196. (1) Goods supplied free of charge in replacement of those previously imported which have been found to be defective or otherwise unfit for use would be allowed to be cleared under Open General Licence No. IV provided the conditions stipulated in the said Open General Licence are fulfilled. A copy of the Open General Licence No. IV as amended is given in Appendix 20 to this Book.

(2) In cases involving import of goods found defective or unfit for use after import, which are not covered by Open General Licence No. IV, the licensing authority may consider the application for replacement licence or Customs Clearance Permit on production of the following documents:—

(i) The insurance survey certificate issued by the Lloyds Agents or any other authorised insurance surveyors to the effect that the goods were actually received in defective condition and required replacement.

(ii) Original evidence of acceptance by suppliers abroad to replace the defective goods free of charge.

N.B.—In cases where foreign exchange is required to cover further insurance and freight, the amount for which the Exchange Control Copy

of the licence should be made valid should be clearly indicated in the application for replacement licence.

(3) If the supplier accepts to replace the goods free of charge on the condition that the damaged goods or goods found otherwise unfit for use, shall be returned to him, the replacement licence issued in terms of the provision of sub-para (2) of this paragraph, will be subject to the condition that the damaged goods or goods found otherwise unfit for use will be returned to the suppliers abroad. Also, the Exchange Control Copy of the licence, if issued in such cases, will be valid for the remittance of foreign exchange required to cover further insurance and freight only in respect of goods to be imported against the licence.

Replacement of machinery items

197. (1) In the case of machinery items, the defect in any part of the machine or its breakage cannot, in certain cases, be ascertained unless the machine or its part is installed (*i.e.*, bolted to the ground) and put in operation. In such cases and also in cases involving replacement of goods, which are rendered defective after use during the guarantee period, if the supplier agrees to replace the defective or broken machine or its part free of charge, the application for replacement licence may be considered on production of the following documents:—

(i) Original evidence of acceptance by the foreign supplier to replace the goods in question free of charge.

(ii) A certificate from a qualified engineer to the effect that the particular machine or part thereof is considered unfit for use in the main plant etc. for which it was intended.

(iii) Original evidence showing the date of previous importation of machinery and the period of guarantee given by the foreign manufacturer/supplier.

(2) The Exchange Control Copy of the replacement licence, if issued, in terms of the provision of this paragraph will be valid for the remittance of foreign exchange required to cover further insurance and freight only.

(3) If the supplier accepts to replace the goods free of charge on the condition that the machine or its part, originally imported, shall be returned to him, the licence issued under the provisions of this paragraph will be subject to the condition that the machine or its part originally imported will be returned to the foreign supplier.

198. Applications for replacement licences or Customs Clearance Permits in cases which are not covered by the provisions of paragraphs 194, 195, 196 and 197 above, will be considered on analogous principles on merits by the licensing authorities concerned.

Procedure for submission of applications for replacement licences

199. (1) Application for replacement licence or Customs Clearance Permit should be made, complete in all respects, in the form prescribed for the category of importer to which the applicant belongs, and should be

sent to the licensing authority who had issued the licence against which the goods were originally imported. The application should be accompanied by:—

(i) treasury receipt showing the amount of application fee paid on the value applied for.

(ii) documentary evidence considered necessary or required in terms of provision of this book or the relevant Import Trade Control Policy Book or any Public Notice/Trade Notice issued in this regard.

(2) The application for licence should be made within a period of 30 days, after the short-shipment, short-landing, loss in transit or the defect in the imported goods is noticed. In cases, where the importer has made a claim for the cost of such goods on the insurance company, he should make an application for replacement licence within a period of 30 days after the claim has been accepted or settled by the insurance company.

(3) Application received after the prescribed period of 30 days will be liable to be rejected. But in deserving cases, the licensing authority may consider such application if received within 90 days instead of 30 days.

(4) Application for replacement of machinery or any part thereof should be made within a period of 90 days from the date of arrival of the machinery in the applicants' factory or godown, except in cases covered by the guarantee given by the foreign supplier/manufacturer for replacement of goods rendered defective after use.

Replacement licences not to issue in certain cases

200. (1) Normally no replacement licences or Customs Clearance Permits will be issued in terms of these provisions in cases where, at the time of issue of the licence, the goods are not licensable to the class of importer concerned according to the import policy in force. But in cases of genuine hardship, the licensing authority may issue the licence, if otherwise admissible, even in respect of goods which are not licensable to the class of importer concerned at the time of issue of the licence, provided the original import was made during the same licensing period in which the replacement licence is issued or during the immediately preceding period.

Note No. 1.—The date of original import for the purpose of this paragraph will also be the same as indicated in paragraph 35 of this book.

Note No. 2.—The restriction on the issue of replacement licences indicated in this paragraph will also apply to the requests for revalidation of licences being considered in terms of para 194 of this book.

(2) Where an importer accepts the damaged or defective goods on an allowance allowed to him either by the supplier or by the insurance company, the importer will not be entitled to the grant of replacement licence in respect of the goods so accepted.

CHAPTER X

PERIOD OF VALIDITY AND REVALIDATION OF LICENCES

201. *Period of validity.*—(1) The period of validity (*i.e.* the period of shipment/despatchment) of import licences in respect of various items or categories of importers will be 12 months, unless otherwise provided.

(2) In the case of consolidated licences for raw materials, components and spares issued to actual users, the validity period of the licence will also be 12 months unless otherwise provided.

(3) The licences granted under the import policy for registered exporters will normally be valid for a period of 12 months.

(4) The initial period of validity of C.G./H.E.P. licences other than those against "tied credits" or foreign aid will be two years.

(5) The initial period of validity of licences granted for the import of equipment for irrigation projects will be one year. Where documentary evidence is produced with the application for licence to show that firm order for the goods has been placed and accepted by the foreign suppliers, the licensing authority will issue such licences with a maximum validity period of three years.

(6) The period of validity of licences for the import of goods required to fulfil D.G.S.&D. and Railway contracts, will be in accordance with the recommendation of the D.G.S.&D./Railway Liaison Officer.

(7) The initial validity period of a Customs Clearance Permit will be four months.

(8) The initial validity period in respect of emergency licences for import of spares, issued to actual users, will be six months.

(9) The initial validity period in respect of replacement licences/CCPs. will be six months.

202. *Date of Shipment/Despatch.*—(1) In the case of shipments against import licences, made by sea, the date of shipment of goods will be determined by the date on the Bill of Lading which generally shows the date on which the goods have actually been loaded on the ship.

NOTE.—A Bill of Lading is a document for the carriage of goods and it is, therefore, a contract starting from the time when the goods are received on board the ship. When the goods are actually placed on board the ship, the mate's receipt is issued which is a temporary receipt issued by an officer of the Vessel on behalf of the mate. Bills of Lading are prepared from the mate's receipt and the Bills of Lading may or may not show the exact date on which the goods have actually been placed on the ship. Sometimes the Bills of Lading bear two endorsements namely (i) Received for shipment and (ii) Shipment in good condition and order. The dates stamped

against the aforesaid two endorsements, at times, differ. In such cases, the date shown against the endorsement No. (ii) above, *i.e.*, shipped in good condition and order, appearing on the Bill of Lading, will be accepted as the date of shipment. However, it will not be binding on the Customs authorities that this date should necessarily be accepted as the date of shipment. Where the Customs authorities have any doubt, it will be open to them to find out the actual date of shipment by other means, *i.e.*, from the report of Chief Officer of the Ship and tally report of the ship etc.

(2) In the case of imports by air, the date of air consignment note will normally be taken as the date of despatch of the goods, provided this date represents the date on which goods are despatched from the last airport in the country.

NOTE.—In cases where a doubt is felt whether the goods have been placed on the aircraft on the date as given in the consignment note, it will be open to the Customs authorities to seek further information such as the actual date of departure of the plane, the time of stay at the foreign airport of loading etc. to determine the actual date of despatch.

(3) In the case of post parcels, the date stamp of the office of despatch shown on the packets or despatch note is considered as the date of despatch of foreign parcels.

(4) In the case of imports from land-locked countries such as Czechoslovakia and Switzerland which have no sea port of their own, the date of shipment will be the date of actual despatch of the goods by rail or road or any other recognised mode of transport from the country of origin of the goods to the consignee in India on 'through consignment' basis.

NOTE No. I:—A through Bill of Lading tallying in all material particulars and giving evidence of no undue delay by halts or break of journey, will normally constitute sufficient, proof of a 'through consignment'.

NOTE No. II:—This concession will be applicable only in the case of imports from land-locked countries and not from countries which have sea ports of their own. However, it has been represented that even though East Germany has ports capable of taking ships with deep sea draught but for certain specific difficulties she is not in a position now to induce ocean going freighters of other countries to call at her ports. Therefore, the date of issue of cross border certificate issued by the German Democratic Republic may be taken as the 'Date of Shipment' in the case of imports from East Germany.

203. *Validity of Import Licences to cover imports.*—(1) The validity of an import licence is decided with reference to the date of actual shipment/despatch of the goods from the supplying country and not the date of arrival of the goods at an Indian port. If the goods are shipped or despatched within the period of validity of the licence, they will be allowed to be cleared even if they arrive at an Indian port after the expiry of the licence. On the other hand, if the goods are shipped or despatched before the date on which the licence is issued, the import will be treated as unauthorised

even though the importer holds a licence on the date of arrival of goods at an Indian port. Similarly the goods shipped or despatched after the expiry of the period of validity of the licence will also be unauthorised. Importers should, therefore, see and satisfy themselves that they hold a valid licence on the date on which the goods sought to be imported are shipped/despatched by the suppliers.

(2) Where the date of expiry of an import licence falls before the last date of a month, the licence will automatically be valid to cover shipments made upto the end of that month. Also, in calculating the period of validity of a licence the date of issue of the licence is excluded. For instance, if a licence is issued on 10th November 1967 and is valid for 12 months, it will normally expire on 10th November, 1968, but in accordance with the provisions of this paragraph, such licence will be treated as valid upto 30th November, 1968.

(3) In cases where the goods are shipped or despatched before the date of issue of the licence or after its expiry, the imports will be treated as unauthorised by the Customs authorities and the Import Trade Control authorities will not entertain any representation in this regard.

204. *Grace Period.*—(1) In order to facilitate shipmens in cases where the goods are ready for despatch in time but delay occurs because of a change in the shipping schedule or for reasons beyond the control of the importers, a grace period not exceeding 15 days is allowed after the date on which the licence expires. In the case illustrated in sub-para. 203(2) above, the period of grace will commence from 1st December, 1968 and the licence will be completely 'dead' on 16th December, 1968.

(2) The grace period of 15 days will also be available in the case of Customs Clearance Permits.

(3) The importers can also avail of the grace period of 15 days in the case of revalidated licences.

(4) The grace period cannot be claimed as a matter of right and no letter of credit should be opened or order placed against the licence during the period of grace.

(5) On certain occasions such as dockyard strike in the country of shipment when the importers face genuine difficulties and the goods cannot be shipped in time, the licensing authority may, by a general authorisation, extend the period of validity of any licence on an *ad-hoc* basis for a specified period. Such extension, where granted, will be in the nature of enhanced grace period and the importers will not be entitled to open any letter of credit or place orders for the supply of goods during such extensions.

205. *Revalidation of licences.*—(1) A form of application for revalidation of licences has been introduced. The prescribed form appears in Appendix (3) to this book. All requests for revalidation of licences whether from actual users, established importers or others should be made in the prescribed form. While applying for revalidation, the applicants should specifically indicate the amount for which firm and irrevocable commitment has been made and the amount which has been utilised during the initial period of validity including period of revalidation already availed of, if any in the appropriate columns of the prescribed application form.

(2) *Actual Users.*—Requests for revalidation of actual user licences will be considered on merits by a licensing authority where such authority is satisfied that the request for revalidation is based on genuine difficulty and the refusal to grant extension will cause hardship or loss to the licence holder. In deserving cases, licences may be extended by a period not exceeding six months, provided such revalidation is otherwise allowed in terms of the relevant import policy.

Note: Actual user licences for raw materials, components and spares will not be revalidated beyond 6 months and such requests will be summarily rejected.

(3) *Established Importers.*—Requests for revalidation of established importer licences will be considered by a licensing authority on merits where such authority is satisfied that the licence holder had taken all possible measures to effect shipment/despatch within the validity period of the licence in question but shipment/despatch could not be effected for reasons beyond his control. In deserving cases, licences may be extended by a period not exceeding three months.

(4) *C.G./H.E.P.*—In the case of C.G./H.E.P. licences other than those against tied credits, the licensing authority will grant an extension of one year, upon request, provided such authority is satisfied that a firm order has been placed and accepted by the foreign supplier during the initial period of validity of the licence but shipment could not be effected within that period. Normally extension beyond the overall validity period of 3 years is not granted but, in cases of special difficulty, the requests for revalidation beyond this period may also be considered in consultation with the sponsoring authority concerned.

(5) *Registered exporters.*—In the case of licences, granted under the import policy for registered exporters, the period of validity may be extended, for good reasons, for a period not exceeding six months, as in the case of actual users.

(6) *Irrigation Projects.*—The licences for the import of equipment for irrigation projects will be extended to a maximum period of three years on production of documentary evidence to show that firm order has been placed and accepted by the foreign supplier provided the licence in question was initially issued with a validity period of one year. Where the licence has already been issued with a maximum validity period of 3 years as provided in sub-para 201(5) of this chapter, normally further extension will not be granted.

(7) *D.G.S&D./Railway Contracts.*—Licences issued against the D.G.S.&D./Railway contracts will be revalidated on the recommendation of the D.G.S.&D. or the Railway Liaison Officer, as the case may be.

(8) *Technical Institutions.*—The period of validity in respect of licences granted to universities, educational institutions, research organisations, technical/technological institutions and hospitals, may be extended, upon request, depending upon the merits of each case.

(9) *C.C.P.*—A Customs Clearance Permit may be revalidated upto a period of two months. Requests for revalidation beyond two months but upto five months, *viz.*, for an overall period of 9 months including the period of revalidation, may also be considered on merits in cases of real hardship.

(10) In cases not covered by sub-paras 1 to 8 above, no revalidation of licences will ordinarily be allowed. But in case of genuine difficulty the licensing authority may grant extension for a short period on merits.

206. *Licensing authorities to whom applications for revalidation should be made.*—(1) Subject to the additional facility as provided in sub-paragraphs (2) and (3) below, the request for revalidation of a licence should be made to the licensing authority who issued the licence.

(2) The requests for revalidation of actual user licences, established importer licences and licences granted under the import policy for registered exporters, issued by any licensing authority, will be entertained by all the regional licensing authorities.

(3) In the case of C.G./H.E.P. licences, other than those issued against tied credits, the requests for revalidation upto one year will also be entertained by all the regional licensing authorities. Requests for revalidation beyond this period should be made to the licensing authority who issued the licence.

207. (1) The requests for revalidation of licences should be made within the validity period of the licence. However, in cases of specific hardship, the licensing authority may condone the delay in the submission of the application for revalidation where such authority is satisfied that the delay in making the application for revalidation was due to circumstances beyond the control of the licensee.

(2) Revalidation, where allowed, will be from the date of expiry of the licence when such licence is presented for revalidation before its expiry. But in cases where the licence is presented after the expiry date, the revalidation, where allowed, will be from the date on which the application for revalidation is made, and the licensing authority will make a specific endorsement on the licence to this effect.

CHAPTER XI

APPEALS

208. When a person is not satisfied with the decision of a licensing authority, he may make an appeal against the said decision in accordance with the provisions hereinafter stated.

209. *First Appeal.*—(1) In respect of an application for import licence, an appeal, in the first instance, will lie with the head of the office in which the application was dealt with. However, in the case of an application dealt with in the licensing division at the headquarters office of the Chief Controller of Imports and Exports, New Delhi, the first appeal will lie with the Joint Chief Controller of Imports and Exports (Headquarters Licensing Division) in the office of the Chief Controller of Imports and Exports, New Delhi. The first appeals in regard to the applications dealt with in the Import Trade Control Offices at (i) Visakhapatnam, Pondicherry and Bangalore, (ii) Rajkot and New Kandla, (iii) Amritsar and Srinagar and (iv) Shillong, will lie with the Joint Chief Controller of Imports and Exports at Madras, Bombay, New Delhi (CLA) and Calcutta respectively.

(2) The first appeal against the decision of a licensing authority in respect of an application made under the policy for registered exporters, will lie with the head of the office in which the application was dealt with.

(3) In the case of an application for recognition of new established importers and transfer of quotas, the first appeal will lie with the head of the office in which the application was dealt with.

(4) The first appeal under this paragraph should be made so as to reach the authority concerned within 45 days from the date of the Order appealed against. No fees shall be charged on a first appeal.

210. *Second Appeal.*—(1) If the appellant is not satisfied with the decision of the appellate authority as indicated in paragraph 209 above, he may make a second appeal to the Chief Controller of Imports and Exports, New Delhi (Appeals Wing).

(2) The second appeal under this provision should be made so as to reach the Chief Controller of Imports and Exports, New Delhi (Appeals Wing) within a period of 45 days from the date of the order appealed against.

(3) The second appeal should be accompanied by a treasury receipt of Rs. 5 towards payment of appeal fee deposited in cash at any Government Treasury or the office of the State Bank of India or the Reserve Bank of India for credit to the Central Government under the head "Import Licence Application Fees" subordinate to the major head "XXXII Miscellaneous, Social and Developmental Organisations".

211. *Opportunity of hearing to the appellants.*—(1) If an appellant desires to be heard in person in connection with his appeal, he should say so specifically in his appeal. In such cases, an opportunity of hearing will

be afforded to the appellant. If the appellant does not avail of the opportunity given to him, the appeal will be decided on the basis of the material available.

(2) Every effort will be made to dispose of an appeal within 45 days of its receipt. If an appellant does not receive a reply to his 'first' or 'second' appeal within this time-limit, he should bring the matter to the notice of the Public Relations Officer in the import trade control office concerned, or book an interview with the officer concerned through the enquiry officer, in order to know the reasons for the delay in the disposal of his appeal.

212. Documents to be submitted along with appeal.—(1) The 'first' appeal should be accompanied by a copy of the decision against which the appeal is made, and a proforma giving the following particulars:—

(a) Name and address of the applicant.

(b) Licensing period in respect of which the appeal is made.

(c) Licensing authority against whose decision appeal is made.

(d) Brief description of goods.

(e) Serial No. and Part of the I.T.C. Schedule in respect of the goods in question.

(f) No. and date of the communication containing the decision appealed against.

(g) A brief statement indicating the reasons for which the application/first appeal has been rejected.

(h) A brief statement of the grounds of appeal.

(2) The 'second' appeal should be accompanied by the following documents:—

(i) A copy of the decision against which the appeal is made.

(ii) A copy of the original application.

(iii) The original documents forwarded with the original application, if the appeal is based on a point of fact. In case, the said documents have been retained by the licensing authority, copies thereof, duly authenticated, should be produced.

(iv) Any other documents relied upon in support of the contentions raised in the appeal.

(v) A proforma giving the particulars as referred to in sub-para (1) of this paragraph.

213. An appeal made under these provisions will be liable to be summarily rejected if it is not received by the appellate authority concerned within the prescribed period.

214. A copy of the first appeal made to the Joint Chief Controllers of Imports and Exports at Madras/Bombay/New Delhi (CLA)/Calcutta, as the case may be against the decisions of the Import Trade Control Officers at Visakhapatnam, Pondicherry, Bangalore, Rajkot, New Kandla, Amritsar, Srinagar and Shillong should be endorsed to the authority concerned against

whose decision the appeal is made. Similarly a copy of the second appeal addressed to the Chief Controller of Imports and Exports (Appeals Wing), New Delhi should be endorsed to the authority against whose decision the appeal is made.

215. An application for review of the decision on a second appeal will also be entertained by the Chief Controller of Imports and Exports, New Delhi. Such application should be made within 45 days of the date of the communication containing the decision sought to be reviewed. After an application for review has been disposed of, no further request for review will be entertained and no reply will be sent to any such communication.

CHAPTER XII

Letter of Authority

216. Under the Imports (Control) Order, 1955, dated 7-12-1955, no import licence can be transferred or acquired except under and in accordance with the written permission of the licensing authority or any other officer authorised in this behalf. Therefore, in cases where no such permission is granted, only the licensee is authorised to operate upon the licence issued to him, *i.e.* to place an order on the foreign supplier, to open a letter of credit, to make remittances of foreign exchange against the exchange control copy of the licence and to perform all other functions for the utilisation of the licence.

217. With a view to falling in line with the ordinary trade practice and, at the same time, in order to exercise a proper check over the transfer of import licences, the licensing authority may authorise any person or concern to operate upon a licence on behalf of the licensee in accordance with the provisions stated below.

218. A licensee who desires another party to indent the goods from abroad or open a letter of credit or make remittances or to import the goods on his behalf against any particular licence issued to him, should apply for a letter of authority in favour of such party in respect of that licence. Such application should be made to the licensing authority who issued the licence. However, in the case of licences other than those issued under foreign credits/loans, the application for the grant of letter of authority can be made to any regional licensing authority also. In respect of licences issued for import from rupee payment area also, the request for the issue of letters of authority will be entertained by any regional licensing authority. A specimen form of letter of authority is given in appendix 19.

219. It may be clarified that a letter of authority issued in respect of a licence granted on annual basis will enable the holder of the letter of authority to operate upon both the halves of the value of the licence in terms of the policy in force and the conditions applicable to the licence, and it will not be necessary for the licensee to obtain a separate letter of authority in favour of the same person for the second half of the value of the annual licence.

220. A letter of Authority cannot be claimed as a matter of right. It will be granted only in respect of those licences where the licensing authority is satisfied that, for genuine and *bona fide* reasons, the licensee is not himself in a position to operate on the licence. The licensing authority may also refuse to grant a letter of authority in favour of a person (or concern) who is, for the time being, subject to any action under Clauses 8 or 8A of the Imports (Control) Order or the Exports (Control) Order.

(1) *Declaration to be furnished by the Applicant.*—The application for a letter of authority should be accompanied by a declaration from the licence stating that he has neither applied for nor obtain a letter of authority in respect of the same licence from any other licensing authority. In cases where an application for a letter of authority has already been made or a letter of authority has already been obtained from any licensing authority in respect of a part-value of the licence, it should be clearly stated in the declaration that the letter of authority already applied for or obtained does not cover the value for which a letter of authority is now desired. The reason for which the licence cannot import the goods direct should also be explained in the declaration.

(2) The licensing authority may call for any other document/information for considering the request for the grant of a letter of authority.

221. *Functions of the holder of letter of authority.*—(1) A person or concern in whose favour a letter of authority is issued by a licensing authority in respect of an import licence, will act as the licensee's agent so far as the particular import licence is concerned.

(2) The functions of the holder of a letter of authority will be limited, namely, to operate upon the licence in question, *i.e.* to place an order, to open a letter of credit, to make remittances, to import the goods and clear the same through the customs, on behalf of the licensee. The letter of authority holder can also apply, on behalf of the licensee, for revalidation of the licence, but he cannot make an application for any amendment in the licence.

222. *Conditions of Letter of Authority.*—A letter of authority issued under these provisions shall be deemed to have been issued subject to the following conditions:—

(i) the person or concern in whose favour the letter of authority is issued will act only as an agent of the licensee and the goods imported shall be the property of the licensee both at the time of clearance through the customs and subsequent thereto. The licensee will have to ensure that the goods, on importation, will be delivered to him and shall not be disposed of otherwise. The licensee shall not cause or permit the holder of letter of authority to dispose of the goods.

(ii) the holder of the letter of authority shall clearly indicate on all the relevant customs documents including the triplicate copy of the customs Bill of Entry that the goods have been imported by him on behalf of the licensee. This endorsement will be duly attested by the customs authorities.

(iii) the holder of the letter of authority shall not, under any circumstances, be entitled to any quota licence or quota certificate on the basis of such imports.

223. *Licences Issued to agencies owned or controlled by Government.*— The imports (Control) Order, 1955, has been amended to the effect that the conditions under items (i) and (ii) of sub-clause (3) of clause 5 of the said order shall not apply to the licences issued to the State Trading Corporation of India, the Minerals and Metals Trading Corporation of India and other similar institutions or agencies owned or controlled by the Government. It may, however, be clarified that even in respect of licences issued to such agencies, a letter of authority from the licensing authority will be necessary if the licence is to be operated upon by a person other than the licensee, but such letter of authority will be subject to such terms and conditions as may be settled between the licensee and the party concerned.

CHAPTER XIII

Exemptions from I.T.C. Restrictions

224. No licence is required for the import of goods mentioned under the 'Savings' in Clause 11 of the Imports (Control) Order, 1955 dated the 7th December, 1955.

225. In terms of saving (1) of sub-clause (1) of the aforesaid clause 11 of the Imports (Control) Order, 1955, executive instructions have been issued to the Customs authorities to exempt the import of goods from the Import Trade Control restrictions in the following types of cases :—

(a) *Bonding of exposed Cinematographic films.*—Exposed films imported and allowed to be bonded for preview or censorship or re-export under the C.B.R. letter No. 16(13)/58-Cus V, dated the 11th September, 1958 may be exempt from I.T.C. restrictions.

(b) *Import of emerald and other precious stones on approval basis—examination of contents before clearance.*—(1) The emeralds and other precious stones imported by sea or air (otherwise than by post) and bonded on arrival for the purpose of inspection may be exempted from I.T.C. restrictions. Such quantities of goods as are approved after inspection may be allowed to be cleared against valid licences.

(2) This facility is not available in the case of imports of emeralds and precious stones by post parcel. Under the Universal Postal Convention, a parcel cannot be split up into two i.e., one part to be retained and the other part to be returned to the sender. The contents of the post parcels can therefore either be accepted or rejected *in toto*. However, the importer or his agent will be given facilities to inspect the contents of such post parcels under customs supervision, if the addressee so desires. The inspection will be allowed at the time and date specified by the Customs authorities. If the importer does not turn up for inspection at the appointed time and date, the parcel will be returned to the sender. If the importer accepts the parcel, he can secure its clearance against a valid licence and the value of the parcel as a whole will be debited to the licence, and the debit once raised against the licence will not be revoked.

(c) *Transfer of ship stores in cases where the vessels engaged on foreign trade are transferred to coastal trade.*—In cases where the vessels engaged on foreign trade are transferred to coastal trade, the consumable stores on board the ship are allowed to be transferred with the vessel on payment of Customs duty. Such transfer of stores will be exempt from I.T.C. restrictions.

(d) *Import of advertisement blocks.*—Certain foreign concerns buy advertisement space in the Indian press and for that purpose, send blocks to India. These blocks are intended to be destroyed after the relevant number of insertions have appeared. It has been represented that newspaper establishments are experiencing difficulty in clearing these advertisements blocks. As these blocks are imported free of charge and the related

advertisements bring in foreign exchange, the consignment containing advertisement blocks supplied free of charge, will be allowed to be cleared without import licences provided the value of the consignment does not exceed Rs. 800.

(e) *Import of goods by post for personal use by individuals or for use by any institution or hospital—extension of the concession to air freight parcels.*—Under sub-paragraph (gg) of sub-clause (1) of Clause 11 of the Imports (Control) Order, 1955, import of goods by post for personal use of an individual or for use by an institution or hospital, is allowed without I.T.C. restrictions subject to certain limitations/conditions. This provision has also been extended to air freight parcels for the import of such goods by an individual for his personal use or by any institution or hospital for its own use, subject to the same limitations/conditions.

(f) *Import of goods by post or air freight for professional use by the individual.*—The provisions mentioned in sub-para (e) above will also apply to the import of such goods by post or by air freight parcels for professional use by an individual. It should be ensured that the goods so imported are for the use of the importer in his professional capacity only and not for commercial purposes.

(g) *Import of certain goods by post or air freight for use by institutions and not for re-sale.*—(1) The provisions mentioned in sub-para (e) above also apply to the import of such goods by post or by air freight parcels, for use by institutions and not for resale, for example goods meant for rituals sent to Missionary Societies, records coming to the All India Radio, scientific instruments coming to educational institutions and others where the principle of personal use would apply except that the user is not an individual but an institution.

(2) This concession does not apply to factories but where a factory has to import raw materials or spare parts by air urgently without waiting to obtain an import licence with a view to avoid any breakdown and where the facts are clear, such cases will be dealt with leniently by Collectors of Customs in their discretion.

(3) This concession will be in force till the 31st March, 1968.

(h) *Facilities for importation of Commercial samples and advertising material.*—The Government of India have acceded to the International Convention to facilitate the importation of commercial samples and advertising materials, which has been incorporated as item 44(5)(a) of the Indian Customs Tariff. Under this item, samples of goods which are exempt from import duties under and in accordance with the said International Convention drawn up at Geneva on the 7th November, 1952 are allowed clearance free of duty and without Import Trade Control restrictions. Full details can, however, be ascertained from the Collectors of Customs in India.

(i) Food parcels sent to India from abroad at gifts may be allowed clearance without I.T.C. restrictions.

(j) The articles such as food-stuffs, medicines, clothing and blankets imported into India by any charitable organisation or any individual as free gifts from any philanthropic organisation or individual abroad for free

distribution to the poor and the needy without any distinction of caste, creed or race, may be exempted from the I.T.C. restrictions, provided such imports are exempted from Customs duties leviable thereon, in terms of the Government of India Notification No. 84-Customs, dated the 13th August 1960, as in force. The intending importer should approach the Collector of Customs of the port of import for the grant of duty concession before importing the goods.

226. (1) Under Open General Licence No. IV (Reproduced in Appendix 20), as amended, *bonafide* technical and trade samples or advertising matter excepting vegetable seeds falling under Serial No. 36 of Part IV of the I.T.C. Schedule and New Drugs can be imported without any import licence provided (a) they are supplied free of charge, (b) their c.i.f. value in one consignment does not exceed Rs. 800 in the case of technical and trade samples and Rs. 400 in the case of advertising matter, and (c) the samples or advertising materials thus imported shall not be sold by the importer. Under this concession, the Customs authorities may allow clearance under Open General Licence No. IV of the permissible samples and advertising matter even if the importer concerned may have to pay for freight and insurance charges provided the overall value of the samples or the advertising matter including freight and insurance charges does not exceed the limits indicated above in one consignment. In such an event, the Collector of Customs will suitably endorse the relative bill of entry to enable the importer to secure remittance facilities from the Reserve Bank of India in respect of the freight and insurance charges.

(2) A question has been raised whether several consignments of *bonafide* technical and trade samples or advertising matter for value not exceeding Rs. 800 in the case of technical and trade samples and Rs. 400 in the case of advertising matter in each consignment sent by the same supplier to the same consignee and received by the same mail should be treated as one consignment or different consignments for purposes of clearance under OGL IV. It has been decided that the import of several consignments in the manner indicated above (although each consignment does not exceed the specified value limits) will tantamount to circumvention of ceiling placed for imports of *bonafide* trade and technical samples or advertising matter in one consignment and will not, therefore, qualify for the concession given in the OGL.

(3) Though the above OGL does not specify any particular types of importers who are eligible to import the samples, it is clarified that only such importers as are connected with the production or commercial sale or distribution of goods are expected to be supplied with free samples/advertising materials by the foreign suppliers. It has, therefore, been decided that importers who are not connected with the production or commercial sale or distribution will not be allowed the above concession. However, the Export Promotion Councils may also be allowed the concession regarding the import of technical and trade samples under OGL IV by the Customs authorities.

(4) OGL IV also permits (a) the import of free gifts of books of certain types upto the value of Rs. 400 in favour of industrial concernt and (b) free gifts of trade catalogues and circulars upto the value of Rs. 400.

227. *Import of labels, price tickets and like articles for export products.*—(1) It has been represented that exporters are finding it difficult to

clear packages of labels, price tickets and like articles which are supplied to them by foreign buyers to be attached to the goods which are exported against specific orders placed by them. The Collectors of Customs may, therefore, in their discretion, allow clearance of labels, price tickets and like articles without I.T.C. restrictions provided they are satisfied that these articles are required for *bonafide* use in connection with export orders and the value of articles imported at one time is less than Rs. 80.

(2) Where the value of the articles so imported is Rs. 80 or more, but not exceeding Rs. 800 and the Export Promotion Council concerned or the sponsoring authority with whom the importer has been registered as an exporter under the import policy for registered exporters, certify the requirement of the importer based on the orders received by him from abroad, the Collector of Customs may, on the basis of such certification, allow the imports in *bonafide* cases.

(3) Where the value of articles so imported is more than Rs. 800 the importer concerned should approach the licensing authority at the port and the grant of customs clearance permit in such cases will be considered by the licensing authority on merits in *bonafide* cases, after taking suitable bond from the importer that the goods covered by the Customs clearance permit will be utilised for export orders to be executed and the goods exported within a period of six months.

228. Under saving (m) of sub-clause (1) of Clause 11 of the Imports (Control) Order 1955, the imports of goods by officials of the United Nations Organisation and its specialised agencies who are exempt from payment of Customs duty under the United Nations (Privileges and Immunities) Act, 1947 will also be exempt from the Import Trade Control restrictions. This concession has been extended to the import of publications of the United Nations Organisation or its specialised agencies by their agents and such imports by the agents concerned would also be exempt from the I.T.C. restrictions provided the imports are exempt from the Customs duty under the United Nations (Privileges and Immunities) Act, 1947 and the publications so imported are the property of U.N.O. or its specialised agency, as the case may be, at the time of importation.

229. *Re-import of goods for removal of defects and subsequent re-export.*—The goods of Indian manufacture exported and received back by the manufacturer from consignee for repair and re-export are exempt from Import Trade Control restrictions—*vide* saving (1) in sub-clause (1) of Clause 11 of the Imports (Control) Order, 1955. It will be observed from the saving (1) that the re-import of the goods will be permitted provided that (i) the Customs are satisfied with the *bonafides* of the case and (ii) in the case of goods other than those exempt from customs duty on re-importation under Customs Notification No. 132. dated the 9th December 1961, a bond is executed by the importer with the Import Trade Control authority at the port concerned to the effect that the goods thus imported will be re-exported after repair within six months. In such cases where the customs authorities are satisfied with the *bonafides* of the case, they will refer the importer to the port licensing authority concerned for executing the necessary bond and release the goods after the bond is executed with the Import Trade Control authority. The Import Trade Control licensing authority will take a bond from the importer on stamped paper equal to the value of the goods and take further steps to ensure the compliance of the conditions of the bond. The bonds should be guaranteed by a Bank Surety.

230. *Passenger's baggage.*—(1) Under sub-paragraph of sub-clause (1) (g) of Clause 11 of the Imports (Control) Order, 1955, goods imported by a person as passenger's baggage are exempt from the necessity of an import licence subject to certain limitations/conditions, to the extent admissible under the Baggage Rules issued by the Central Board of Revenue from time to time. It should, however, be noted that only such articles as are considered *bonafide* baggage under the Baggage Rules in force will be allowed to be imported without a licence under this provision. The Baggage Rules announced in the Central Board of Revenue Notification No. 122, dated the 19th November, 1960 as amended by Notification No. 21, dated the 2nd February, 1963, Notification dated 23-6-1965 and notification dated 9-6-1966, are reproduced in Appendix 21 to this book. In this connection, certain other rules in force at present have also been included in the said Appendix.

(2) Applications for import of built-up cars, station wagons, jeeps, motor cycles, scooters, auto cycles, mini cars, and mopeds, are considered by the Chief Controller of Imports and Exports, New Delhi Headquarters (Licensing Division). The procedure for submission of such applications is given in Appendix 31.

231. *National Defence Donations—Exemption from ITC restrictions.*—By Customs Notifications Nos. 168-Customs, 169-Customs and 170-Customs all dated the 8th November, 1962, all articles donated to the National Defence Fund or to the Government of India for use of the Defence Personnel and wool, woollen fabrics and woollen apparel donated to the Indian Red Cross have been exempted from the payment of customs duty. It has been decided that articles which are exempt from the payment of customs duty in terms of the aforesaid Notifications will also be exempted from import trade control restrictions.

CHAPTER XIV

Breaches of Import Trade Control Regulations

232. It is provided in Section 5 of the Imports and Exports (Control) Act, 1947, that, if any person contravenes or attempts to contravene or abets a contravention of any Order made or deemed to have been made under the said Act or any condition of a licence granted under any such Order, he shall, without prejudice to any confiscation or penalty to which he may be liable under the provisions of the Customs Act 1962, be punishable with imprisonment for a term which may extend to two years and also with fine, and, in the absence of special and adequate reasons to the contrary to be recorded in the judgment of the court, such punishment shall not be for less than six months.

233. In terms of the provisions contained in clauses 8 and 8A of the Imports (Control) Order, 1955, dated 7-12-1955, the Central Government and the C.C.I. & E. (which includes a J.C.C.I. & E. and a D.C.C.I. & E.) are empowered to debar a licensee or importer or any other person from obtaining licences for a specified period and to suspend the issue of licences to a licensee or importer or any other person pending investigation into an allegation. Importers and others concerned should carefully read the Imports & Exports (Control) Act, 1947, and the Orders issued thereunder.

234. The following types of offences will *inter alia*, constitute breaches of import trade control regulations:—

(i) Applying for an import licence on the basis of false or fabricated or tampered with or forged essentiality certificate or recommendation of the State Director of Industries or the Directorate General of Technical Development or any other certifying or sponsoring authority, or obtaining such certificate or recommendation by misrepresentation or fraud.

(ii) Applying for an import licence on the basis of false or fabricated or tampered with or forged quota certificate or obtaining such quota certificate by misrepresentation or fraud or on the basis of documents which are false or fabricated or forged or tampered with.

(iii) Applying for an import licence by concealing the change, if any, in the ownership, constitution or name of the business.

(iv) Applying for an import licence on the basis of Bill of Entry or any other document(s) which pertain to unauthorised imports and where the fact of unauthorization has been concealed or withheld.

(v) Applying for an import licence on the basis of a certificate of an auditor or a chartered accountant or any other document which is false or fabricated or forged or tampered with or which has been obtained by misrepresentation and improper means.

(vi) Applying for an import licence on the basis of false or fabricated or tampered with or forged order purported to have been placed by a Government Department for the supply of goods sought to be imported.

(vii) Applying for an import licence on the basis of a wrong or invalid income-tax verification registration/exemption number or obtaining such number on the basis of false or fabricated or tampered with or forged income-tax clearance certificate or if such certificate has been obtained from the income-tax authorities by misrepresentation and improper means.

(viii) Applying for an import licence on the basis of past imports which do not qualify for establishment/refixation of quota in terms of the policy in force.

(ix) Applying for more than one import licence for the import of the same goods during the same licensing period on the basis of past imports made during different financial years.

(x) Applying for licences separately in the names of different branches of the same concern for the same goods on the basis of imports falling in different basic years.

(xi) Applying for more than one import licence for the import of the same goods during the same licensing period on the basis of different documents pertaining to past imports made during the same financial year.

(xii) Applying for an import licence in more than one capacity *i.e.* as an established importer and actual user where the applicant is not entitled to a licence in both the capacities in terms of the provisions of this book or the policy in force.

(xiii) Applying for an import licence on the basis of any statement which is false, fraudulent or misleading.

(xiv) Tampering with an import licence.

(xv) Soliciting of licences by offering inducement to the holder of licence or otherwise.

(xvi) Smuggling of goods or importing goods without the cover of a valid licence or tampering with a licence or making interpolations in the licence or in the list of goods attached to the licence by removing the original entries or otherwise.

(xvii) Applying for duplicate copy of a licence or quota certificate by misrepresentation of facts.

(xviii) Obtaining clearance of goods from the Customs by producing false or fabricated or tampered with or forged recommendation purported to have been issued by the I.T.C. authority or obtaining such recommendation by misrepresentation.

(xix) Any corrupt or fraudulent practice in commercial dealings or in obtaining any licence on the part of the applicant for licence or any of his agents or employees.

(xx) Contravention of the conditions embodied in a licence or accompanying a licence or an application for a licence.

(xxi) Selling of goods imported against actual user licences in contravention of the condition of the licences.

(xxii) Mis-using the goods received by way of allotments through the State Trading Corporation of India or any other recognised agency.

(xxiii) Trafficking in licences *i.e.* illegal transfer or acquisition of import licences.

(xxiv) Sale of goods by a licensee, prior to their clearance through the Customs or purchase of any such goods.

(xxv) Misdeclaration of value, sort, quality or quantity in respect of any goods on their importation.

(xxvi) Contravention of any law, rules or regulations relating to Customs or the import and export of goods or of any law relating to foreign exchange.

(xxvii) Refusal to produce any documents or books of account required by a licensing authority.

(xxviii) Withholding the delivery of goods to the licensee, imported by any person on a letter of authority issued by the licensing authority.

(xxix) Failure to comply with the conditions subject to which a letter of authority is issued.

(xxx) Applying for an import licence in the name of a fictitious concern.

(xxxi) Applying for an import licence under the import policy for registered exporters on the basis of the exports which are over-invoiced in relation to the value having the meaning as defined in sub-section (1) of Section 14 of the Customs Act 1962, or non-fulfilment of the conditions of undertaking/bond furnished by the applicant to the licensing authority or failure to fulfil export obligation against the imports made.

(xxxii) Failure to comply with the distributional control in respect of imported goods where such control is applicable in terms of the policy in force.

(xxxiii) Other corrupt or fraudulent practices.

N.B.—A licence includes a Customs Clearance Permit for purposes of the provisions of this paragraph also.

235. Where a licence has or had been issued at any time provisionally or through error or inadvertance or is in excess of the licence holder's entitlement or has been obtained by mis-representation or contrary to rules and regulations in force, it will be open to the licensing authority to set off the value of such licence or adjust the same against the licence holder's subsequent entitlements under any category for that item or any other item or items without prejudice to any other action that may be taken in this behalf.

236. Attention of the trade is also invited to the provisions contained in paragraph (89) of this book relating to mis-use of the goods imported

against a licence by an actual user or the goods received by any person through the allotments made by the State Trading Corporation of India or any other recognised agency.

237. *Appeals.*—(1) Clause 10(2) of the Imports (Control) Order, 1955, provides that where any person is aggrieved by any action taken under clause 8 or 8-A he may prefer an appeal against such action to such authority as the Central Government may, by notification in the official Gazette, constitute for the purpose of hearing appeals, within 30 days from the date of communication of the action taken.

(2) In exercise of the powers referred to in sub-paragraph (1) of this paragraph, the Central Government have constituted the following authorities for the purpose of hearing appeals against the action taken under clause 8 or 8-A of the Imports (Control) Order, 1955:—

(i) Where action is taken by a Joint Chief Controller of Imports and Exports, the appeal will lie with the Chief Controller of Imports and Exports, New Delhi;

(ii) Where the action is taken by an authority other than any authority referred to in item (i) above, the appeal will lie with a Committee consisting of two Joint Secretaries to the Government of India in the Ministry of Commerce, New Delhi.

(3) The appeals made under this provision should be accompanied by an attested copy of the order appealed against and any other documents/information that may be relied upon by the appellant. The appeal should also be accompanied by a proforma giving the following information:—

(a) Authority against whose decision appeal is preferred;

(b) Date of the order appealed against;

(c) Whether the appeal is against debarment or suspension from receiving licences (in the case of debarment, the periods for which the appellant has been debarred from obtaining licences may also be indicated);

(d) the grounds of appeal (in brief).

(4) A copy of the appeal should invariably be sent by the appellant to the authority against whose decision the appeal is made.

CHAPTER XV

Unauthorised Imports

238. Import is validly covered by a licence when the description, value and the quantity of imported goods are in accordance with the licence and the shipment/despatch of the goods from the supplying country takes place within the period of validity of the licence.

239. An import licence is issued without prejudice to the operation of other prohibitions or laws to which the imported goods may be subject. For instance, if, under the health laws, imported plants have to be fumigated or animals inoculated, the relevant regulations have to be strictly observed. Similarly, the regulations under the Drugs Control Act, the Arms Act, the Explosives Act, the Excise Act and such other Acts, as may apply to the goods sought to be imported, will have to be strictly followed.

240. If any article, requiring a licence, is imported without a valid licence, its entry into the country will be treated as unauthorised and the importer/owner of the goods will be liable to punishment under the provisions of the Customs Act, 1962 without prejudice to any other action that may be taken in this behalf under the Imports and Exports (Control) Act, 1947 and the order issued thereunder. In such cases, the Import Trade Control authorities will not regularise the import by an *ex-post-facto* licence; nor will they amend the existing licence in any manner to cover such imports.

241. The clearance of goods and the assessment of duty will be dealt with by the Customs authorities. It is within the jurisdiction of the Customs authorities to determine whether or not the goods imported are in conformity with the description given in the licence. Although, in case of doubt in regard to the correct description of goods given in the licence or any other matter concerning the import, the Customs authorities may consult the Import Trade Control authorities, the final responsibility in the matter rests with the Customs authorities.

242. Ordinarily, if the article imported is in accordance with the description given in the licence and the import is otherwise covered by the licence, the clearance will be allowed by the Customs even though there may be a difference of opinion in regard to the correct I.T.C. classification of the goods in question. However, in such an event the Customs authorities will be entitled to assess the customs duty in accordance with their rules and regulations. On any point of clarification for purposes of assessment of import duty, the Collector of Customs/the Central Board of Excise & Customs in appeal, are the final authorities. No appeals in this regard will be entertained by the I.T.C. authorities.

243. In order to help the importers in cases of genuine difficulties, a joint committee of the Import Trade Control and the Customs authorities has been set up at each port. The Committee meets regularly and deal with both pre and post-importation enquiries and difficulties of importers.

244. If the importer finds any discrepancy in a licence he should immediately apply to the licensing authority concerned for an amendment in the licence. The request for such an amendment should in any case be made before the goods have been shipped/despatched from the supplying country, so that, if, for any reason, the change or amendment is not permitted, the importer may be able to advise his suppliers to make the necessary adjustment. In seeking any amendment or revalidation of a licence, it should clearly be pointed out by the applicant whether or not shipment/despatch of goods covered thereby has already been made either wholly or partly. Any misleading or wrong statement in this behalf will render the licensee/importer liable to action under the Import Trade Control rules and regulations.

245. The requests, if any, for amendment of a licence made after the shipment/despatch of the goods from the supplying country will be summarily rejected by the L.T.C. authorities. The matter in such an event will rest with the Customs authorities. The importers should, therefore, approach the Customs authorities who will deal with the cases with reference to the relevant rules.

246. The fine/penalty imposed in respect of unauthorised imports is likely to be heavy and may lead to even confiscation of the goods or prosecution of the importer/owner of goods. In special circumstances, the importer/owner of the goods may be allowed to re-ship the goods; but, in such a case also, the importer owner of the goods will be liable to pay fine/penalty. Therefore, the importers should, in their own interest ensure that what is being imported by them into the country is in strict conformity with the licence-description in every respect and that the consignment is neither in excess of the licensed value or quantity limitations nor different in any way from what is authorised to be imported.

247. *Clearance of goods when the importer is unable to produce the licence.*—In cases where an importer claims to have a valid import licence to cover the goods imported by him but is unable to produce the licence to the Collector of Customs at a particular port owing to the simultaneous arrival of the goods covered by the licence at different ports, or for any other reason, the Collector of Customs may, if he is satisfied with the plea put forward by the importer, permit clearance of the goods in so far as Import Trade Control Regulations are concerned on the importer executing a bond or a letter of guarantee in the forms given in Appendix (22) to this book. It is at the discretion of the Collector of Customs either to accept the bond or the letter of guarantee from the importer for the production of the import licence for the goods at a later date.

CHAPTER XVI

Miscellaneous

248. *Port of Entry.*—(1) Import licences will, except where specifically provided otherwise in the licence, be valid for importation of goods at all ports in the Indian Union.

(2) The importers can, however, obtain separate licences for the goods to be imported through different ports, and for this purpose, the value of the goods to be imported at each port should be given separately in the application for the licence.

249. *Subsidiary Licences.*—(1) In order to facilitate the clearance of the goods through different sections of the same Customs House, the licensing authorities at the ports will consider requests for the issue of subsidiary licences against any existing licence. The request for grant of subsidiary licence can be made to any port licensing authority. Such requests will also be entertained by the regional licensing authorities in respect of licences issued from the headquarters office of the Chief Controller of Imports and Exports, New Delhi.

(2) The following points should be borne in mind by the applicants while applying for subsidiary licences:—

(i) The applications for subsidiary licences should be made sufficiently in advance of the despatch/shipment of the goods from the supplying country.

(ii) The facility of the grant of subsidiary licences will be given irrespective of the value of the original licence.

(iii) The subsidiary licences, where granted, will be subject to face value restrictions or any other conditions applicable to the original licence. It is open to the importers to apply for and obtain separate subsidiary licences specifically valid for the items with face value restrictions upto the permissible limits. These licences showing the values of restricted items permissible against the main or original licences will also be valid for import of non-restricted items.

(iv) The applications for subsidiary licences should also be accompanied by treasury receipt showing the payment of the prescribed application fee of Rs. 5 for each subsidiary licence.

(v) The revalidation, if any, granted in respect of the main or original licence will also apply to the subsidiary licence.

250. *Payment to Suppliers.*—When goods are to be imported under an Open General Licence or Special General Licence, authorised dealers in foreign exchange have been permitted to open letters of credit or make remittances to cover the imports on their being satisfied that the goods ordered are covered by the Open General Licence or the Special General Licence. With regard to goods not covered by an Open General Licence

or Special General Licence, no letters of credit can be opened or remittance of foreign exchange made unless the importer is in possession of a valid import licence with exchange control copy. When applying to an authorised dealer in foreign exchange for remittance of foreign exchange, the licence holder should produce before him the copy of the licence marked 'for exchange control purposes'. It should be noted that in opening any letter of credit the date of expiry of the O.G.L. or S.G.L. or the valid licence should be kept in view for determining the period for which the letter of credit should be kept open for negotiation.

251. **No remittances in advance of the receipt of the shipping documents.**—It may be noted that whereas letters of credit can be opened on the basis of the exchange control copy of the licence in advance of the shipment/despatch of goods, remittances can be made only on receipt of shipping documents. In the case of licences for Capital goods and Heavy Electrical Plant, however, a part payment may be authorised by the Reserve Bank of India as an earnest money payable to the foreign suppliers.

252. **The extent to which the licence can be utilised.**—(1) The value shown in an import licence is always the c.i.f. price of goods to be imported including discount, commission or like rebates allowed by the supplier/manufacturer to the concessionaries i.e. importers in India. The remittance against goods covered by the import licence should, however, cover only the net c.i.f. price charged by the foreign supplier excluding discount, commission or like rebates allowed by the foreign supplier manufacturer to the importers in India. Cases have come to notice where payments have been made in excess of the actual net (c i.f.) cost of the goods. Therefore, the licensing authority will specifically endorse a condition on the licence to the effect that payment authorised to be made against it shall not cover commission, discount or like rebates allowed by the foreign supplier/manufacturer to the concessionaries *i.e.* importers in India.

(2) The c.i.f.) value cannot also be used to the full extent if the stores are shipped f.o.b. In such an event, a margin has to be left to cover the cost of insurance and freight to be paid for in rupees. When either the freight or insurance is paid in rupees in India, the amounts will be deducted from the value of the licence by the authorised dealer in Foreign Exchange *e.g.* where against an import licence for Rs. 1,00,000 the insurance and freight charges amount Rs. 10,000 (say Rs. 5,000 on each account) the basic imports exclusive of cost of insurance and freight against the said licence can be admitted upto the extent of Rs. 90,000 only.

253. **Requests for enhancement of the value of the licences.**—Importers are required to take steps to ensure that the c.i.f value shown in the licence is not exceeded in any case unless otherwise notified. The only types of cases where requests for enhancement in the value of the licence are entertained are:—

(a) Capital goods;

(b) H.E.P. licences;

(c) Licences against D.G.S.&D. and Railway Orders;

(d) Licences granted to Actual Users in exceptional cases.

In each case the reasons for the increase have to be satitsfactorily explained and documentary evidence in support of them has to be

produced. The enhancement will be solely at the discretion of the licence issuing authority.

254. **Currency in which payment may be made.**—Normaly foreign remittances are allowed by the Exchange Control authorities only in the currency of the country of origin of the goods in question as stated in the import licence, or by payment in sterling or rupees to the account of a resident in that country. In the case of f.o.b. contracts, however, payment of freight and insurance may be made in rupees, or in the currency of the country in which the shipping company is registered or the insurance policy is issued. If importers require any further information in this behalf, they may consult the authorised dealers in foreign exchange or the Reserve Bank of India.

255. **Provisional debiting of import licences by Customs Houses.**—Import licences are sometimes debited with 'Loaded Values' of the imported goods by Customs Houses on a provisional basis. On subsequent verification or on appeal, the quantum of loading is sometimes reduced after several licensing periods. Re-validation of a licence on account of reduction in the "landed value" will not be granted.

256. **Banks as Joint Holders of Licences.**—(1) It has been observed that when an importer opens an irrevocable letter of credit and later fails to honour his bills, the banks concerned (through whom the business has been transacted and who are committed for the payment of the exchange to the foreign suppliers) find themselves in difficulty to import as they are not the licence holder. As a safeguard against this contingency, the exchange banks or the authorised dealers through whom the letters of credit are opened are reckoned as the Joint holders of the licence to the extent of the goods covered by the credit which would thus enable them to honour their commitments with foreign supplier. The procedure in this respect is contained in Public Notice No. 60-ITC(PN)/50, dated the 21st July, 1950—*vide* Appendix (23) to this book.

(2) In the types of cases referred to in sub-para (1) of this paragraph and also in cases where the goods are pledged with a bank or a State Finance Corporation and the borrower does not meet his obligation, the imported goods lying with the bank or the State Finance Corporation, as the case may be, will be dealt with in accordance with the provisions of Clause 10-C of the Imports (Control) Order 1955, as amended.

257. **Established Importer-cum-manufacturer to claim licence only in one capacity.**—(1) An established importer-cum-manufacturer is eligible to claim a licence only in one capacity, *i.e.* either as an established importer or as an actual user, as indicated below:—

(a) If an established importer of a commodity is also the manufacturer of a product in the process of the manufacture of which that commodity is required, the established importer-*cum*-manufacturer would be entitled to claim a licence only in one capacity as an established importer or as actual user and not both.

(b) If an established importer of a finished product and/or its components is himself or through his associate concern engaged in the manufacture of that product and/or its components as an actual user, the actual user and his associate concern(s)

will surrender their quotas for the finished product and/or its components as an established importer, provided that in exceptional cases where the commencement of production is likely to be delayed, they will be allowed to claim quota licences till the production has actually commenced.

(2) **Clarification of the above provisions.**—The following clarification is made to define the scope of the application of the above provisions with respect to certain types of cases:—

(i) **Cases in which the established importer-cum-manufacturer has a quota for a commodity which is also required as a raw material for use in the manufacture of a finished product.**—(a) If the raw material falls under a S. No. or sub. S. No. as the case may be which covers only one item, the established importer-*cum*-manufacturer shall surrender his claim for a licence for the raw material in one capacity *i.e.* either as an established importer or as an actual user.

(b) If the raw material falls under a S. No./Sub S. No. which covers more than one item, the established importer-*cum*-manufacturer will be allowed to claim in addition to an actual user licence, a quota licence to import only such other items falling under the particular S. No./Sub S. No. as are not covered by his Actual User licence. In such cases only the past imports of admissible items will be taken into account for the grant of the quota licence.

(ii) **Cases where the manufacturer of a finished product has in his own name or in the name of his associate concern/(s) a quota for that product.**—**In such cases,** if the manufacturer is engaged in the manufacture of only particular type/(s) of the product, he or his associate concern/(s) will be entitled to claim a quota licence for import of such other type/(s) of the product as are not included in his manufacturing programme and only his past import of such other type/(s) of the product as are not included in his manufacturing programme will be taen into account to determine his or his associate concern's quota entitlement. But the quota will be subject to revision consequent on the expansion of the manufacturing activities.

(iii) **Cases where the manufacturer of a finished product has in his own name or in the name of his associate concern/(s) a quota for the components of the finished product:—**

In such cases, the manufacturer and his associate concern(s) will be entitled to claim a quota licence for such components as are (a) not covered by his actual user licence and (b) not covered by his manufacturing activities. Only the past imports of admissible components will be reckoned for the grant of quota licences for components in such cases and the quota would be subject to revision consequent on the expansion of the manufacturing activities.

(iv) These principles would be followed with regard to grant of quota licences when goods imported against the quota licence are required for stock and sale. However, in cases where the goods sought to be imported against quota licence(s) are required for servicing/repairs, the quota licence(s) would be validated on *ad hoc* basis in the discretion of the licensing authority to meet the servicing/repairs requirements.

(v) There may be certain type of cases where the importer-*cum*-manufacturer holds a quota certificate for machinery/equipment/accessories and he may require the same goods for installation of a factory or for replacement purposes thereafter. In such cases, the established importer-*cum*-manufacturer would have the option to claim either the quota licences or an Actual User licence (including C.G./H.E.P.).

(3) **Definition of Associate concern for the above purpose.**—For the purpose of the above provisions, the following will be the criteria for determining that the concerns are associates:—

(i) The actual user concern and the established importer concern are assessed to income tax jointly i.e. have a common I.V.C. Number or they have common ownership.

(ii) The actual user concern and the established importer concern have separate I.V.C. numbers and have no common ownership, but the proprietor of one of such concern is the proprietor of the other concern, or a partner or a set of partners in one of such concern have major share in the other concern.

(iii) The actual user concern is a Limited Company and any Director of the Limited Company has interest in the established importer concern as proprietor.

258. **Re-import of goods after repairs abroad.**—(1) The goods which are covered by saving (k) of Clause 11 of the Import (Control) Order 1955 dated 7th December 1955, can be re-imported into India from any country without import trade control restrictions.

(2) In the case of goods which are not covered by the saving clause mentioned above, and which are exported for repairs and subsequent return, the importer should secure an import licence in advance, and the goods for repairs should be exported only after obtaining the licence for their re-import. The application for import licence should be made to the licensing authority concerned. Failure to comply with this requirement will render the application for licence/Customs Clearance Permit for re-import of the goods repaired liable to be rejected. In cases where the re-import of articles after repairs involves foreign exchange, the amount to be remitted towards the cost of repairs, freight and insurance should be indicated in the application for licence and the application should be supported by a certificate from the D.G.T.D. to the effect that the goods in question cannot be repaired in India.

259. **Re-import of samples of Indian origin sent abroad for the purpose of securing orders.**—(1) For re-importation into India of samples sent or taken over to foreign countries by Indian business men, a provision already exists in Saving (k) of Clause 11 of the Imports (Control) Order 1955 whereby such samples as are exempt from payment of Customs duties on re-importation, would be allowed clearance without an import licence. But in order to qualify for this concession, there are certain Customs formalities to be observed and the Indian traders who do not comply with such formalities have to face difficulties in the clearance of such samples on re-importation. Therefore, the trade, in its own interest, should contact the Customs authorities before exporting the samples to foreign countries and ensure that the conditions qualifying for the duty free re-importation of the samples are fulfilled.

(2) However, in cases where samples on re-importation do not qualify for the above concession, it is open to the Indian businessmen to secure import licences in advance to cover the re-import. Applications for import licences for the re-importation of such samples should be submitted to the regional licensing authorities and should be accompanied by an evidence to show that the samples which were taken over, or sent to foreign countries, are being re-imported.

(3) In the case of businessmen/industrialists returning from abroad, who are bringing in such samples, the requirement regarding submission of I.V.C. Registration/Exemption Number will be dispensed with for the purpose of the application for import licence as in the case of such applicants, it may be difficult to comply with this requirement. In cases other than of businessmen/industrialists returning from abroad, also, the requirement regarding production of I.V.C. Registration/Exemption Number will be dispensed with if the re-importation takes place within three years of export. The payment of application fee will be waived in all such cases.

260. **Import of samples and literaturers relating to products to be manufactured for re-export.**—Applications for the import of samples and literatures relating to products to be manufactured in India for export, will be considered on merits on *ad hoc* basis by the licensing authorities concerned. The applicants should give full justification for their requirements in such cases. The applications should be made in the form prescribed for actual users and should be accompanied by a Treasury Receipt for the requisite amount towards application fee.

261. **Import of empty gas cylinders for re-export after being filled with gas.**—Applications for the grant of Customs Clearance Permits will be considered by the licensing authority concerned for the import of empty gas cylinders falling under Serial No. 65(5)(iii)/V of the I.T.C. Schedule which are to be re-exported after being filled with gas. The procedure to be followed in such cases will be as under :—

(a) The importers should apply for a Customs Clearance Permit to import empty gas cylinders in respect of their six months requirements i.e. the number of cylinders which they will be able to re-export after being filled with gas within a period of six months. The application should be supported by a certificate from the Director of Explosives in respect of cylinders applied for.

(b) The applicants should also produce evidence to show that their requirements are genuine and that they have been in the particular trade.

(c) The Customs Clearance Permits where granted will be subject to the condition that the licensee shall re-export the cylinders after filling them with gas within a period of six months from the date of importation. The importer will also be required to execute a bond with a surety from an insurance company or a chamber of commerce at the time of importation of the cylinders for compliance with this condition. However, in the case of importers of good standing who have been in the line and whose past performance has been satisfactory, the licensing authority concerned may in its discretion dispense with the surety.

262. **Import of Machinery and Equipment designed on the Metric System.**—(1) Legislation has been enacted to decimalize currency, weights and measures. The Coinage (Amendment) Act, 1955 was brought into force on 1st April, 1957, and decimal coinage is now in circulation in the country. The Standards of Weights and Measures Act, 1956 has been brought into force with effect from the 1st October, 1958 in certain specified areas in States and Union Territories and in respect of certain specified classes of undertakings and of goods. The Act provides for a transitional period of 10 years from its date of enactment. The adoption of the metric system of weights and measures was, therefore, to be completed by December 1966.

(2) Importers of machinery are requested to take note of these developments and to endeavour to import only machinery which should be able to work to metric measurements. It is realised that for a certain number of years both the metric and the foot-pound systems have to continue side by side. To the extent, therefore, that machinery and equipment on foot-pound system is required for replacements either in regard to spare pats or even complete machines, their imports will be allowed after scrutiny of their need.

(3) Metric system has become the only legal system of weights and measures in the country. Importers of machinery are requested to take note of this development and to import machinery which would be able to work on metric measurements. Weighing or measuring instruments imported for use in trade or commerce must conform to the specifications prescribed in the Weights & measures (Enforcement) Rules of the States.

(4) Consequent on the decision of the Government of India to introduce from August 1960 the Metric System of Weights and Measures in the levy and collection of Customs duties, it was decided to adopt the Metric system of weights and measures from 1st October 1960 for the purpose of Import and Export Trade Control also, to the extent indicated below :—

(i) All shipping documents relating to imports, exports and re-export will be in Metric Unit. However, to suit the requirements of customers in foreign countries which are not on metric system, the exporters may use British Units as well in their invoice, etc. at the request of their customers. Shippers in foreign countries such as United Kingdom, United States of America or other countries, which are not on metric system, will have, the option to use British Units in their shipping documents, invoices, etc.

(ii) Where licensing is on the basis of quantity, new quota certificates/licences will be issued in Metric Units; even otherwise quantities in licences will be shown in Metric Units, wherever necessary.

(iii) While applying for licences importers will be required to mention quantity in Metric Units.

263. **Import of Transformer Oil together with power transformers.**—(1) Oils supplied for the first filling along with the transformer may be treated as part of the transformer and its clearance may be allowed against licences issued for transformers. It may, however, be noted that the quantity oftransformer oil so allowed shall not in any case exceed to capacity of the tank of the transformer. It is also necessary to ensure that the c.i.f. value of the oil plus the c.i.f. value of the transformers should be covered by the c.i.f. value specified in the licence for transformers.

(2) Where the oil and the relative transformer are shipped from different countries, a separate import licence would be necessary for the oil. This would not, however, apply if the licence for transformer has been specifically made valid to cover transformer oil required with it, subject to the prescribed conditions, if any, being fulfilled.

264. **Duplicate copies of import licences.**—(1) Where a licence is lost or misplaced, the application for the issue of a duplicate copy of the licence will be considered and a duplicate copy will be issued if the licensing authority concerned is satisfied in regard to the bona fides of the case.

(2) The application for the issue of duplicate copy of the licence should be submitted to the licensing authority who issued the original licence. Such applications should be accompanied by a treasury chalan of Rs. 5/- towards application fee and an affidavit on a stamped paper in the form prescribed in Appendix (7) to this book duly sworn in before a magistrate or an oath commissioner or notary public.

(3) The duplicate copy of the licence will be marked 'DUPLICATE' and endorsed by the issuing authority in block letters as follows :—

This licence has been issued in lieu of licence No .....
(to be given)
dated ..... , since cancelled under Order No. .....
dated ....., to the extent of full value or partly utilised value of Rs. .....

(4) When a duplicate copy of a licence is issued, the licensing authority concerned will intimate the fact to the custom authority at the port of registration of the original licence. Where a duplicate copy of the licence is issued with Exchange Control Copy, the Reserve Bank of India of the circle concerned, will also be informed accordingly by the licencing authority concerned. The order of cancellation of the original licence will be published in the Gazette of India.

265. **Licences issued in duplicate.**—Import licences are generally issued in duplicate. One of the copies known as the Customs Purposes copy is to be presented by the importer along with the bills of entry, to the Customs authorities for obtaining clearance of the goods imported. The other *i.e.*, the 'Exchange Control copy is to be presented by the importer to the bank for the purpose of opening a letter of credit or making remittance of foreign exchange. Where no remittance of foreign exchange is involved, the Exchange Control copy of the licence is not issued.

266. **Form of Affidavit.**—(1) Applicants for import licences are sometimes required to furnish certificates or declarations along with their applications for import licences. Unless otherwise provided, such certificates or declarations need not be given on a stamped paper and also need not be sworn in before a magistrate or an oath commissioner etc. Such declarations or certificates can ordinarily be signed by the proprietor, partner or managing director of the applicant concern or by a person duly authorised to sign any legal declaration or document on behalf of the applicant.

267. **Complaints regarding the delays in the disposal of applications/ correspondence.**—(1) Every effort is made to avoid delays in the disposal of applications for licences or correspondence. Reminders in regard to the delayed cases are attended to promptly by the licensing authorities.

(2) Complaints regarding delay addressed to the Chief Controller of Imports and Exports, New Delhi, should be specifically marked "Complaint against delay" at the top of the communication containing the complaint.

(3) The applicant should also bring cases of delay to the personal notice of the Public Relations Officer in the Import Trade Control office concerned. The Public Relations Officer of the rank of the Deputy Chief Controller of Imports and Exports has been appointed at the headquarters of the office of the Chief Controller of Imports and Exports, New Delhi. In the regional offices also, Public Relations Officers have been appointed.

268. **Addressing of communications to Import Trade Control Organisations.**—It is noticed that telegrams and letters received by the licensing authorities from the trade by way of reminder do not often contain sufficient details to enable the licensing authorities to locate the previous papers. With a view to avoid delay in the disposal of such communications, the trade should give brief details of the reference received by them from the licensing authority concerned, the particulars of the goods sought to be imported and the I.T.C. classification of such goods. The Communication should also indicate its subject matter, the category of the importer, the type of the licence to which it pertains, whether it relates to the grant of the licence or amendment or revalidation thereof or an appeal, and it should also give the number and date of the relevant original application.

269. **Enquiries regarding the position of applications.**—The arrangement under which the importers could enquire the position of the import applications by filling the import enquiry slip has been discontinued. The licensing authorities will make every effort to dispose of the applications as quickly as possible. If an application for an import licence is not disposed of within one month from the date of its receipt in the licensing section, the licensing authority will issue an interim reply to the applicant. If an applicant does not receive an interim reply even alter this time limit, he can bring the matter to the notice of the Public Relations Officer in the import trade control office concerned or book an interview with the officer concerned through the Enquiry Officer in order to know the reasons for the delay in the disposal of his application. Where a licensing authority calls for certain documents or information from the applicant or any deficiencies in the application are communicated to the applicant, and the applicant has furnished the required documents or information or made good the deficiencies but does not receive any further communication from the licensing authority within 15 days thereafter, he can bring the matter to the notice of the Public Relations Officer or book an interview with the Officer concerned to know the reasons for the delay in the disposal of the application. Applications for import of capital goods and heavy electrical plant will take somewhat longer time. But in such cases also, if the applicant finds that there has been a delay in the disposal of his application, he can bring the matter to the notice of Public Relations Officer or book an interview with the concerned officer to know the reasons for delay.

270. **Interviews.**—Ordinarily all matters should be settled by correspondence. However, in cases where the importers consider it necessary to discuss in person, matters relating to general policy and principles of Import Trade Control or they wish to make a personal submission in the case of appeals and representations against orders passed in individual cases or they desire to present their case in person in respect of any application for licence or to represent against the delay in the disposal of their applications for licences or appeals, they may book an interview with the officer concerned. The interviews with the officers other than the Chief Controller of Imports and Exports and the heads of the regional licensing offices should be booked in advance at the Enquiry Office which is attached to each licensing office. Appointments to see the Chief Controller of Imports and Exports/heads of the regional licensing offices should, however, be arranged through their private secretaries. The importers should give the purpose of interview and the particulars of their case in the prescribed proforma vide Appendix (24) to this book. The prescribed proforma for interviews will not have to be filled in for seeking interviews with the Public Relations officers. Except where otherwise authorised, interviews will be granted only by officers of the rank of Controller or above. It should be noted that the person desiring to book an interview should be the accredited representative of the applicant and he should comply with all the regulations concerning the interviews which are prominently displayed on the trade notice boards in all the licensing offices or otherwise publicised. Entry in the rooms occupied by the clerical establishments or personal contact with the staff of the Import Trade Control Organisation is strictly prohibited.

271. **"Counter" system.**—The requests for amendments of minor nature or revalidation of licences which do not require detailed examination, and requests for issue of letter of authority, correction in the lists of goods, affixing security seal on the licence or on the lists of goods and other matters of minor nature like signatures of the licensing authority below the condition on the licence or on the lists of goods attached to the licence, will also be entertained at the "Counter" in the licensing office concerned. For this purpose the "Counter" system has been introduced in the licensing offices. The applications will be received at the "Counter' against a proper receipt and the applicant will be given a fixed date for collecting back the licence on production of the said receipt".

APPENDIX 1

(*Vide* Para 2 of Chapter I)

Imports and Exports (Control) Act, 1947 as amended upto 30th May, 1966.

An act to continue for a limited period powers to prohibit or control imports and exports.

Whereas it is expedient to continue for a limited period, powers to prohibit, restrict or otherwise control imports and exports.

It is hereby enacted as follows:—

1. *Sort title, extent, commencement and duration.*—(1) This Act may be called the Imports and Exports (Control) Act, 1947.

(2) It extends to the whole of India.

(3) It shall come into force on the 25th day of March, 1947 and shall remain in force until the 31st day of March, 1971.

2. *Interpretation.*—In this Act,

"Import" and "Export" means respectively bringing into, and taking out of India by sea, land or air;

3. *Powers to prohibit or restrict imports and exports.*—(1) The Central Government may, by order published in the Official Gazette, make provisions for prohibiting, restricting or otherwise controlling in all cases or in specified classes of cases, and subject to such exceptions if any, as may be made by or under the order:—

(a) the import, export, carriage coastwise or shipment as ships stores of goods of any specified description;

(b) the bringing into any port or place in India of goods of any specified description intended to be taken out of India without being removed from the ship or conveyance in which they are being carried.

(2) All goods to which any order under sub-section (1) applies shall be deemed to be goods of which the import or export has been prohibited under section 11 of the Customs Act, 1962 (52 of 1962), and all the provisions of that Act shall have effect accordingly.

(3) Notwithstanding anything contained in the aforesaid Act, the Central Government may, by order published in the Official Gazette, prohibit, restrict or impose conditions on the clearance, whether for home consumption or for shipment abroad of any goods or class of goods imported into India.

4. *Continuance of existing orders.*—All orders made under rule 84 of the Defence of India Rules or that rule as continued in force by the Emergency Provisions (Continuance) Ordinance, 1946 (Continuance of Existing Orders, XX of 1946), and in force immediately

before the commencement of this Act shall so far as they are not inconsistent with the provisions of this Act, continue in force and be deemed to have been made under this Act.

4-A. *Fees for applications for, and issue or renewal of, licences.*—The Central Government may by order levy, subject to such exceptions, if any, in respect of any persons or class of persons as may be specified in the order, any fee in respect of any application or in respect of any licence granted or renewed under any order made or deemed to have been made under this Act.

5. *Penalty.*—If any person contravenes or attempts to contravene, or abets a contravention of, any order made or deemed to have been made under this Act or any condition of a licence granted under any such order, he shall, without prejudice to any confiscation or penalty to which he may be liable under the provisions of the Customs Act, 1962 (52 of 1962) be punishable with imprisonment for a term which may extend to two years and also with fine:

Provided that in the absence of special and adequate reasons to the contrary to be recorded in the judgment of the Court, such imprisonment shall not be for less than six months.

6. *Cognizance of offences.*—No Court shall take cognizance of any offence punishable under section 5 except upon complaint in writing made by an officer authorised in this behalf by the Central Government by general or special order, and no Court inferior to that of a Presidency Magistrate or a Magistrate of the First Class shall try any such offence.

7. No order made or deemed to have been made under this Act shall be called in question in any Court, and no suit, prosecution or other legal proceeding shall lie against any person for anything in good faith done or intended to be done under this Act or any order made or deemed to have been made thereunder.

APPENDIX 2

[*Vide* para 2 of Chapter 1]

GOVERNMENT OF INDIA

MINISTRY OF COMMERCE AND INDUSTRY

Imports (Control) Order, 1955 (as amended upto 1-5-67)

New Delhi, the 7th December, 1955

No. 17/55.—In exercise of the powers conferred by sections 3 and 4A of the Imports and Exports (Control) Act, 1947 (18 of 1947) as in force in India and as applied to the State of Pondicherry, the Central Government hereby makes the following Order, namely:—

ORDER

1. *Short title and Commencement.*—(1) This order may be called the Imports (Control) Order, 1955.

(2) It shall come into force at once.

2. *Definition.*—In this order, unless the context otherwise requires,—

(a) 'the Act' means the Imports and Exports (Control) Act, 1947 (18 of 1947);

(aa) 'application for licence' includes any application made under the Import Trade Control Regulations;

(aaa) "Chief Controller of Imports and Exports" includes a Joint Chief Controller of Imports and Exports and a Deputy Chief Controller of Imports and Exports;

(aaaa) 'licence' includes a customs clearance permit issued under this Order;

(b) "Licensee" means a person to whom a licence or a Customs clearance permit is granted under this order;

(c) Licensing authority means an authority competent to grant a licence or Customs clearance permit under this Order;

(d) "Schedule" means a schedule to this Order;

(e) 'Value' has the same meaning as in sub-section (1) of section 14 of the Customs Act, 1962 (52 of 1962);

3. *Restriction on Import of certain Goods.*—(1) Save as otherwise provided in this Order, no person shall import any goods of the description specified in Schedule I, except under, and in accordance with, a licence or a customs clearance permit granted by the Central Government or by any officer specified in Schedule II.

(2) If, in any case, it is found that the goods imported under a licence do not conform to the description given in the licence or

were shipped prior to the date of issue of the licence under which they are claimed to have been imported, then, without prejudice to any action that may be taken against the licensee under the Customs Act, 1962 (52 of 1962), in respect of the said importation, the licence may be treated as having been utilised for importing the said goods;

3-A. In cases where the importer is unable to produce the licence which has already been granted to him at the time of arrival of goods, the Customs Collector may at his discretion, allow the importer to secure the clearance of goods, on execution of a bond or letter of guarantee to the effect that he holds, a valid licence in respect of the imported goods and shall produce the same within a period to be specified by the Customs Collector, failing which he shall pay to the Customs Collector such amount as may be stipulated in the bond or letter of guarantee without prejudice to any action that may be taken against him under the Customs Act, 1962 (52 of 1962) for unauthorised importation of the goods concerned.

4. *Fees on Application for Licences.*—(1) Every application for a licence shall be made to the appropriate licensing authority.

(2) A fee as indicated in Schedule III shall be paid in respect of every application in the manner provided in the said Schedule:

Provided that no fee shall be payable in respect of any application when made by —

(a) the Central Government, a State Government or any department or office of the Central Government or State Government;

(b) any local authority for the import of goods required for its own consumption;

(c) any education, charitable or missionary institution for the import or goods required for its own consumption;

(d) an application for review of an order (*i.e.* first appeal) made on an application for a licence to the licensing authority who originally dealt with the case.

*The fee once received will not be refunded under any circumstances except—

(i) where the fee has been deposited in excess of the prescribd scale;

(ii) where the fee has been deposited, but no application has been made;

(iii) where the fee has been deposited, and the application has been made, but the item to which the application relates is placed on an Open General licence on or after the date of application;

(iv) where the fee has been deposited in error, but the applicant is exempt from payment of licence fee;

(v) where the fee has been deposited and the application made, but the policy governing the issue of import licences has been changed subsequent to the date of application, thereby rendering the application ineligible for the grant of licence.

*NOTE.—Fees paid in respect of Appeals made to the Chief Controller of Imports and Exports shall not be refunded under any circumstances.

5. *Conditions of Licence.*—(1) The licensing authority issuing a licence under this Order may issue the same subject to one or more of the conditions stated below:—

(i) that the goods covered by the licence shall not be disposed of, except in the manner prescribed by the licensing authority, or otherwise dealt with, without the written permission of the licensing authority or any person duly authorised by it;

(ii) that the goods covered by the licence on importation shall not be sold or distributed at a price exceeding that which may be specified in any directions attached to the licence;

(iii) that the applicant for a licence shall execute a bond for complying with the terms subject to which a licence may be granted.

(2) A licence granted under this Order may contain such other conditions, not inconsistent with the Act or this Order, as the licensing authority may deem fit.

(3) It shall be deemed to be a condition of every such licence that:—

(i) no person shall transfer and no person shall acquire by transfer any licence issued by the licensing authority except under and in accordance with the written permission of the authority which granted the licence or of any other person empowered in this behalf by such authority.

(ii) that the goods for the import of which a licence is granted shall be the property of the licensee at the time of import and thereafter upto the time of clearance through Customs.

Provided that the conditions under items (i) and (ii) of this sub-clause shall not apply in relation to licences issued to the State Trading Corporation of India, the Minerals and Metals Trading Corporation of India and other similar institutions or agencies owned or controlled by the Government.

(iii) the goods for the import, of which a licence is granted shall be new goods unless otherwise stated in the licence.

(4) The licensee shall comply with all conditions imposed or deemed to be imposed under this clause.

6. *Refusal of Licence.*—The licensing authority may refuse to grant a licence:—

(a) if the application for the licence does not conform to any provision of this order;

(b) if such application contains any false or fraudulent or misleading statement;

(c) if the applicant uses in support of the application any document which is false or fabricated or which has been tampered with;

(cc) if the licensing authority considers that the grant of the licence will not be in the interest of conserving foreign exchange;

(ccc) if the activities of the applicant are prejudicial to the interests of the State;

(cccc) if the applicant has, on any occasion committed breach of any law (including any rule, order or regulation) relating to customs or foreign exchange;

(d) if the applicant on any occasion has tampered with an import licence or has imported goods without a licence or has been a party to any corrupt or fraudulent practice in his commercial dealings or in obtaining any licence, or is found to have solicited licences by offering an inducement to the holder of the licence or otherwise;

(dd) if any agent or employee of the applicant has been a party to any corrupt or fraudulent practice in obtaining the licence for the applicant;

(e) if the application for an import licence is defective and does not conform to the prescribed rules;

(f) if the applicant contravenes or attempts to contravene or abets the contravention of any order made or deemed to have been made under the Act or any condition of a licence granted under any such order or commits a breach of the Import Trade Control Regulations;

(g) if the applicant is not eligible for a licence in accordance with the Import Trade Control Regulations;

(h) if the licensing authority decided to canalize imports and the distribution thereof through special or specialized agencies or channels;

(i) if the applicant is a partner in a partnership firm, or a director of a private limited company, which is for the time being subject to any action under clause 8;

(j) if the applicant is a partnership firm or a private limited company, any partner or director whereof, as the case may be, is for the time being subject to any action under clause 8;

(k) if any amount demanded from the applicant under section 39 of the Sea Customs Act, 1878, or any penalty imposed on him under section 167 of the said Act has remained unpaid for a period of three months;

(l) if the applicant fails to produce any document that is called for by the Chief Controller of Imports & Exports or the Licensing Authority.

7. *Amendment of Licence.*—The licensing authority may, of its own motion or on application by the licensee, amend any licence granted under this Order in such manner as may be necessary to make such licence conform to the provision of the Act or this Order

or any other law for the time being in force or to rectify any errors or omissions in the licence; Provided that the licensing authority may, on request by the licensee, amend the licence in any manner consonent with the Import Trade Control Regulations.

8. *Power to debar from receiving licences or allotments of imported goods.*—The Central Government or the Chief Controller of Imports and Exports may debar a licensee or importer or any other person from receiving licences or allotment of imported goods through the State Trading Corporation of India, the Minerals and Metals Trading Corporation of India, or any other similar agency, and direct, without prejudice to any other action that may be taken against him in this behalf, that no licence or allotment of imported goods shall be granted to him for a specified period under this Order:—

(a) if his application for licence is at any time found to be not in conformity with any provision of this Order, or
(b) if such application is found to contain any false, fraudulent or misleading statement; or
(c) if he is found to have used in support of his application any document which is false or fabricated or which has been tampered with; or
(d) if he has, on any occasion, tampered with an import licence or has imported goods without a licence or has been a party to any corrupt or fraudulent practice in his commercial dealings or in obtaining a licence, or is found to have solicited any licence by offering an inducement to the holder of the licence or otherwise; or
(e) if his agent or employee has been a party to any corrupt or fraudulent practice in obtaining any licence on his behalf; or
(f) if he fails to comply with or contravenes or attempts to contravene or abets the contravention of any conditions embodied in, or accompanying, a licence or an application for a licence; or
(g) if he commits a breach of any law (including any rule, order or regulation) relating to customs or the import and export of goods or foreign exchange; or
(h) if he fails to produce any document that is called for by the Chief Controller of Imports and Exports or any other licensing authority.

8A. *Power to suspend grant of licences or allotments of imported goods.*—The Central Government or the Chief Controller of Imports & Exports may suspend the grant of licences or allotments of imported goods through the State Trading Corporation of India, the Minerals and Metals Trading Corporation of India, or any other similar agency, to a licensee or importer or any other person, pending investigation into one or more of the allegations mentioned in clause 8, without prejudice to any other action that may be taken against him in this behalf:

Provided that grant of a licence or allotment of imported goods shall not ordinarily be suspended under this clause for a period exceeding twelve months:

Provided further that on the withdrawal of such suspension, a licence or allotment of imported goods may be granted to him for the period of suspension subject to such conditions, restrictions or limitations as may be decided by the authority aforesaid, keeping in view the foreign exchange position, indigenous production and other relevant factors.

8B. *Power to keep in abeyance applications for licences or allotments of imported goods.*—Where any investigation into any of the allegations mentioned in clause 8 is pending against a licensee or importer or any other person, and the Central Government or the Chief Conroller of Imports and Exports is satisfied that without ascertaining further details in regard to such allegation, the grant of licence or allotment of imported goods will not be in the public interest, then, notwithstanding anything contained in this Order, the Central Government or the Chief Controller of Imports and Exports may keep in abeyance any application for grant of licence from such person, or direct the State Trading Corporation of India, the Minerals and Metals Trading Corporation of India, or any other similar agency to keep in abeyance allotments of imported goods to such person, without assigning any reason, and without prejudice to any other action that may be taken in this behalf:

Provided that the period for which the grant of such licence or allotment is kept in abeyance under this clause shall not ordinarily exceed six months.

8C. Publicity of action taken under clause 8 or 8A.

(i) If the Central Government is of opinion hat it is necessary or expedient in the public interest to publish the name of any person or class of persons and other relevant particulars, against whom action under clause 8 or 8A is taken, it may publish or cause to be published, the name of such person or class of persons and such particulars in such manner as it thinks fit.

(ii) No publication under sub-clause (1) shall be made in relation to any such action until the time of presenting an appeal, if any, to the appellate authority has expired without an appeal having been presented or, the appeal, if presented, has been disposed of.

Explanation.—In the case of a firm, company or other association of persons, the names of the partners of the firm, directors, managing agents, secretaries and treasurers, or managers of the company, or the members of the association, as the case may be, may also be published if, in the opinion of the Central Government, the circumstances of the case justify it.

9. *Cancellation of licences.*—The Central Government or the Chief Controller of Imports and Exports or the Development Officer (Tools), Development Wing or any other officer authorised in this behalf may cancel any licence granted under this Order or otherwise render it ineffective;

(a) if the licence has been granted through inadevertence or mistake or has been obtained by fraud or misrepresentation;

(b) if the licence has been granted contrary to rules of the provisions of this Order;

(c) if the licensee has committed a breach of any of the conditions of a licence;

(cc) if the Central Government or such officer is satisfied that the licence will not serve the purpose for which it has been granted;

(d) if the licensee has committed a breach of any law relating to customs or the rules and regulations relating to the import or export of goods or of any law relating to the regulations of foreign exchange.

10. *Opportunity of being heard to be given.*—(1) No action shall be taken under clause 7 or clause 8 or clause 8A or clause 9 against a licensee or an importer or any other person unless he has been given a reasonable opportunity of being heard.

(2) Where any person is aggrieved by any action taken under clause 8 or 8A, he may prefer an appeal against such action to such authority as the Central Government may, by notification in the official Gazette constitute for the purpose of hearing appeals, within thirty days from the date of the communication of the action taken.

10A. *Declaration as to value, sort, quality, etc. of imported goods.*—On the importation into any customs port of any goods whether liable to duty or not, the owner of such goods shall in the Bill of Entry or any other documents prescribed by rules, state the value, sort, quality and description of such goods to the best of his knowledge and belief and shall subscribe a declaration of the truth of such statement at the foot of such Bill of Entry or documents.

10.B. *Utilisation of imported goods.*—(1) No person shall use any imported goods received by him during the allotment or distribution made by the State Trading Corporation of India or any other recognised agency, in a manner and for the purpose, otherwise than as declared by him in his application for such allotment or distribution or in any document submitted by him in support of such application.

(2) Subject to the provisions of clause 10-C, no person shall use or dispose of any goods imported by him against a licence on the strength of a letter of authority issued in his favour under the Import Trade Control Regulations except in accordance with the terms and conditions of such letter of authority.

10-C. *Power to make directions for the sale of imported goods in certain cases.*

(1) Where, on the importation of any goods or at any time thereafter, the Chief Controller of Imports and Exports is satisfied, after giving a reasonable opportunity to the licensee of being heard in the matter, that such goods cannot be utilised for the purpose for which they were imported he may, by order, direct the licensee or any other person having possession or control of such goods to sell such goods to such person, within such time, at such price and in such manner as may be specified in the direction.

(2) The price that may be specified under sub-clause (1) shall be the aggregate of the landed cost of the goods, clearing and transportation charges and such other incidental charges incurred in relation thereto as are considered reasonable in the circumstances of the case by the Chief Controller of Imports and Exports.

(2-A) Where goods are imported through the State Trading Corporation of India, the Minerals and Metals Trading Corporation of India or other similar institutions or agencies owned or controlled by the Government, or any other recognised agency, and such goods are allotted to any person, an opportunity of being heard in the matter shall be given to such person also.

(3) The licensee or the person to whom any direction has been made under sub-clause (1) shall be bound to comply with such direction.

10D. Prohibition regarding making, signing, etc of any declaration, statement or document:—

(1) No person shall make, sign or use or cause to be made, signed or used any declaration, statement or document in obtaining a licence or in importing any goods knowing or having reason to believe that such declaration, statement or document is false in any material particular.

(2) No person shall employ any corrupt or fraudulent practice in obtaining any licence or in importing any goods.

10E. *Power of Iron and Steel Controller and Deputy Iron and Steel Controller.*—The powers exercisable under clauses 8, 8A or 10C shall also be exercisable by the Iron and Steel Controller or the Deputy Iron and Steel Controller, against a licensee or importer or anyother person in relation to goods licensable by such officers, that is to say, iron and steel and ferro-alloy.

11. *Savings.*—(1) Nothing in this Order shall apply to the import of any goods:—

(a) by the Central Government for Defence purposes;

(b) by the Central Government or any State Government, Statutory Corporation, public body or Government undertaking run as a Joint Stock Company through the agency of the Purchase organisations of the Ministry of Works, Housing and Supply, *i.e.* India Stores Department, London, and India Supply Mission Washington;

(c) by the Central Government, any State Government or any statutory corporation or public body or Government undertaking run as a Joint Stock Company, orders in respect of which are placed through the Directorate General, Supply and Disposals, New Delhi;

(d) by transhipment, or imported and bonded on arrival for re-export as ships stores or otherwise to any country outside India, except Nepal, Tibet and Bhutan or imported and bonded on arrival for re-export as aforesaid but subsequently released for use of Diplomatic personnel, Con-

sular Officers in India and the officials of the United Nations Organisation and its specialised agencies who are exempt from payment of duty under Ministry of Finance (D.R.) Notification No. 3 dated the 8th January, 1957 and United Nations (Privileges and Immunities) Act, 1947, respectively;

(e) which are in transit through India by post, or are redirected by post to a destination outside India, except Nepal, Tibet, Bhutan provided that such goods while in India are always in the custody of the postal authorities;

(f) for transmission across India by air to Afghanistan or by land, to any other country outside India, except Nepal, Tibet and Bhutan under claim for exemption from duty or for refund of duty either in whole or in part, provided that such goods are imported by or on behalf of the Government of a country bordering on India or that the importer undertakes to produce within a specified period evidence that such goods have crossed the borders of India or in default to pay such penalty as the Collector of Customs may deem fit to impose on such goods and provided further that nothing therein contained entitles any goods to exemption from the Export Trade Control Regulations;

(g) by the person as passenger's baggage to the extent admissible under the Baggage Rules for the time being in force, except quinine falling under serial number 114 of Part IV of Schedule I exceeding five hundred tablets or ½ lb. powder or one hundred ampules:

Provided that in the case of imports by a tourist, articles of high value whose re-export is obligatory under rule 5 of the Tourist Baggage Rules, 1958, shall be re-exported on his leaving India, failing which they shall be deemed to be goods of which the import has been prohibited under the Sea Customs Act, 1878 (8 of 1878);

Provided further that where any goods are exempted under this sub-paragraph, the exemption shall be subject to the condition that such goods shall not be sold, or kept, displayed, advertised or offered for sale or displayed in a shop, until (a) in the case of arms and wireless reception instruments, the goods have been used for not less than three years after importation by such person or passenger or member of the crew, or (b) in the case of other goods their market-price has depreciated to less than fifty percent of their market-price when new.

(gg) by any person through the post, for his personal use, or by any institution or hospital, for its own use except:—

(i) Post parcels of vegeable seeds falling under serial number 36 of part IV of Schedule I, exceeding—one lb. in weight;

(ii) Post parcels of artificial silk piecegoods falling under serial numbers 185 and 190 of part IV of Schedule 1;

(iii) Bees falling under serial number 1 of part IV of Schedule 1;

Provided that the c.i.f. value of goods imported as aforesaid at any one time from Asian and non-Asian countries shall not exceed eighty rupees and one hundred and sixty rupees.

NOTE.—"The payments in respect of such goods other than those received as gifts, will be remittable through authorised dealers in foreign exchange with the permission of the Reserve Bank of India.

(h) covered by an Open General Licence or Special General Licence issued by the Central Government;

(i) covered by an executive instruction issued by the Chief Controller of Imports and Exports to the Customs authorities;

(j) by or on behalf of Diplomatic personnel, consular officers and Trade Commissioners in India who are exempt from payment of Customs duty under Notification 3 dated the 8th January, 1957 of the Government of India in the Ministry of Finance (Deptt. of Revenue);

(k) from any country, which are exempt from Customs duty on re-importation under Section 25 of the Sea Customs Act, 1878 (8 of 1878) or under Customs Notification Nos. 113, dated 16th May, 1957, 322, dated 27th December, 1957, 103, dated 25th March, 1958, 260 and 261, dated 11th October, 1958, 269, 270, 271, 273, 274, 275 and 276, dated 25th October, 1958 and 58, dated 27th May, 1961 of the Government of India, Ministry of Finance (Department of Revenue);

(l) of Indian manufacture and foreign made parts of such goods, exported and received back by the manufacture(s) from the consignee for repair and re-export, provided that:—

(i) the Customs authorities are satisfied with the *bonafides* of the case, and

(ii) in the case of goods other than those exempt from customs duty on re-importation under Customs Notification No. 132, dated 9th December, 1961, a bond is executed by the importer with the Import Trade Control authority at the port concerned to the effect that the goods thus imported will be re-exported after repair within six months;

(m) by officials of the United Nations Organisation and its specialised agencies who are exempt from payment of Customs duty under the United Nations (Privileges and Immunities) Act, 1947;

(n) being vehicles as defined in Article I of the Customs Convention on the Temporary Importation of Private Road Vehicles or the component parts thereof referred to in Article 4 of the said convention and are exempt from

payment of customs duty under the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 224, dated the 3rd August, 1958, as subsequently amended, provided that—

(i) such vehicles or component parts are re-exported within the period specified in the said notification or within such further period as the customs authorities may allow.

(ii) the provisions of the said notification or of the 'Triptyque' or 'Carnet-De-Passage' permit are not contravened in relation to such vehicles or component parts,

failing which the provisions of this Order shall apply to such vehicles or component parts and such vehicles or components shall be deemed to be goods, the import of which has been prohibited under the Customs Act, 1962 (52 of 1962);"

Provided that nothing in these exceptions shall prejudice the application to any goods of any other prohibition or regulation affecting the import of goods that may be in force at the time such goods are imported.

(o) covered by an import licence issued by His Majesty's Government of Nepal and the importer furnishes a bond to the collector of Customs in the form prescribed by the Collector of Customs with a Scheduled Bank as surety to the effect that he shall pay the duty and any penalty imposed for contravening Import Trade Control restrictions in respect of the whole or any portion of the goods which is not proved to have entered the territory of Nepal.

(2) Nothing in this Order shall apply to the import—

(a) drugs and medicines—

(i) by hospitals or medical institutions for their own use, provided the c.i.f. value of such goods imported at any one time shall not exceed five hundred rupees;

(ii) by any individual for his personal use provided the c.i.f. value of such goods imported at any one time shall not exceed two hundred rupees.

(b) surgical, optical and dental instruments, apparatus and appliances and dental materials, permissible for import under the import trade control policy in force at the time of importation.

(i) by hospitals or medical institutions, for their own use, provided the c.i.f. value of such goods imported at any one time shall not exceed one thousand rupees;

(ii) by registered medical practitioners, for their own use, provided the c.i.f. value of such goods imported at any one time shall not exceed five hundred rupees,

(c) X-Ray films, by hospitals and X-Ray clinics, for their own use, provided the c.i.f. value of such goods imported at any one time shall not exceed five hundred rupees;

(d) scientific instruments apparatus and appliances, by technical and research institutions or Government research and analytical laboratories, for their own use, provided the c.i.f. value of such goods imported at any one time shall not exceed five hundred rupees;

(e) artists' materials, namely, water colour tubes, canvass, brushes (made of hog or sable hair) and palette knives, by any individual for his personal use, provided the c.i.f. value of such goods imported at any one time shall not exceed one hundred and fifty rupees.

NOTE.—The payment in respect of the goods imported under this sub-clause, other than those received as gifts will be remittable through authorised dealers in foreign exchange.

12. *Repeals.*—The orders contained in the notifications specified in Schedule IV are hereby repealed:

Provided that any thing done or any action taken, including any appointment made or licence issued under any of the aforesaid Orders, shall be deemed to have been done or taken under the corresponding provision of this Order.

SCHEDULE I

(*See* clause 3)

N.B.—Each entry in column (2) has the same meaning as in the item of the First Schedule to the Indian Tariff Act, 1934 (XXXII of 1934), specified against it in column (3) being the item which applies, wholly or in part, to the entry in column (2)

PART I

Serial No.	Name of article	Item of First Schedule to Indian Tariff Act, 1934
(1)	(2)	(3)
1	Calcium Molybdate, Molyte and other molydenum products	28 and 70 (1)
2	Ferro-Tungsten	63(1)
3	Ferro-Molybdenum	63(1)
4	Ferro-Vanadium	63 (1)
5	Ferro-Titanium	63 (1)
6	Ferro-Phosphorus	63 (1)
7	Ferro-Columbium (also known as Ferro-Niobium)	63 (1)
8	Ferro-Selinium	63 (1)
9	Ferro-Silicon	63 (35)
10	Ferro-Chrome	63 (1)
11	Refined Ferro-Manganese (all grades below 3% Carbon)	63(1)
12	Silico-Manganese	63(1)
13	Silico-Spiegel	63 (1)
14	Ferro-Silicon-Zirconium	63 (1)
15	Iron or steel angle, channel, tee, flat beam or joist, zed, trough and piling.	63 (2)
16	(*a*) Iron or steel rounds, rods, squares, hexagons and other sections and shapes and whether black or bright. (*b*) High speed, alloy and carbon tool steel sections, stainless and heat resisting steels.	63(3), 63 (14) 63(19),63(20),63 (25) and 63(30)
17	Iron and steel pipes and tubes and fittings therefor including valves and boiler tubes cut to shape and size, and unscrewed mild steel tubes or cycle frames in lengths and cut to size, but excluding non-ferrous pipe fittings, flexible metallic tubes, and brass/copper coated tubes.	63(6), 63(7) 63 (17),63(18), and 72(3)
18	Iron or steel plates, medium plates, sole plates, terne plates, black plates, silver finished plates including cast iron plates.	63 (7), 63(19) and 63 (20)
19	Steel ingots and iron or steel, blooms, billets and slabs excluding pieces of less than 1-1/2 inches square or thick.	63(8)
20	Iron or steel structures, fabricated partially or wholly if made and mainly or wholly of iron or steel bars, sections, plates or sheets for the construction of buildings and colliery arches or pit props and parts thereof.	63(9), 63(28), 63 (30)

(1)	(2)	(3)
21	Steel tinplates and tinned sheets, including tin taggers, and cuttings of such plates, sheets or taggers.	63 (10)
22	Iron and steel bolts, nuts, set screws, machine screws and machine studs but excluding bolts, nuts and screws, adopted for use on cycles.	63(12),63(13), 75 (1) and 65 (5).
23	Iron and steel hoops and strips	64 (14) and 63 (34)
24	Iron and steel rivets	63 (15)
25	Iron or steel nails and washers, all sorts, not other wise specified	63 (16)
26	(i) Iron and steel sheets, less than 3 mm, coated and un-coated, galvanised, cellactite, including, tinmile Black Plates, and (ii) High Silicon Electrical Steel sheets, excluding laminations, Stampings and punchings. .	63 (20), 63 (28) and 63 (31)
27	Iron or steel rails, sleepers or fishplates for rail ways and tramways.	63(21), 63 (22) and 63 (23)
28	Malleable Iron castings including malleable iron pipe fittings etc.	63 (22)
29	Iron or steel wire rope and wire stand	63 (24)
30	Iron or steel wire whether plain or barbed (excluding uncoated electrodes)	63 (24),63(25) and 63 (32)
31	Iron or steel wire nails	63 (25)
32	Deleted	
33	Deleted	
34	Iron or steel wire rods coated or uncoated (excluding electrodes)	63 (3), 63(25) and 63 (28)
35	Iron or steel wire netting	63 (28)
35-A	Iron or steel welded fabrics (other than bar and rod) specially designed for the reinforcement of concrete.	63 (26)
36	Iron or steel wire chain link fencing, wire mesh, wire staples (excluding machine staples) and boot and shoe grindery,	63 (16),63(25), 63 (28), 20,28 22 (3) and 87
37	Sheell steel	63 (28)
38	Iron and steel castings (unmachined) and iron and steel chains all sort including ship chains but excluding all types of transmission chains	63 (11) and 63 (28)
39	Steel die blocks	63 (28)
40	Unmachined steel forgings including forged steel balls . .	63 (28)
40-A	Old Iron and steel, including defective cuttings and remelting scrap.	63
41	Copper, wrought including the following, *viz.*, rod, section, strip, tape, foil, pipe, sheet includng highly polished sheet specially prepared for making process blocks, lithographic sheets and the following manufactures, *viz.*, copper perforated sheets and sheet cut to size, tubes, rods and pipes cut to shape and size.	64,64(3), 64 (4) 64 (5), 72(2) and 72 (3)
42	Copper scrap whether ingotted or otherwise . . .	64 (1)
43	Lead, wrought including the following *viz.*, pipes tubes, foil, wire, and sheet including sheet for tea chests.	67, 67 (1) and 67 (2)
43-A	Lead ingots, pigs and lead scrap	67 (3)
43-B	Antimonial lead in the ingot and rought form including the following, namely, pipe tube and sheet.	70 (1)

(1)	(2)	(3)
44	Zinc or spelter, unwrought, including zincdross dust, ashes and zinc in the form of ingots, cake tile slab, plate and granulations including all forms of zinc scrap and zinc wrought including wire, rod, sections, sheet including highly polished sheet specially prepared for making process blocks, lithographic sheet and the following manufactures, *viz* zinc perforated and sheet cut to size.	68, 68(1), 68(2), 68 (3), 72 (2) and 72(3)
45	Tin-blocks, tin-scrap and tin-plate scrap	69 & 69(1)
45-A	Tin, wrought including the following *viz.*, foil and wire .	70 (1)
45-B	White metal (antifriction metal), solders (including cored) and printing metals.	69 (2)
46	(*a*) Brass, bronze and similar alloys wrought including the following *viz.*, wire, rod, section, sheet, pipe, tube; unwrought and in the form of ingot and scrap whether ingoted or otherwise and the following manufactures, *viz.*, perforated sheets, sheets cut to size and pipe, rod and tube cut to shape and size including manufactures of Nickel Alloys and Nickle chrome Alloys but excluding chemical or imitation gold.	65, 70, 70(A), 70 (4) 70(6) and 72(3)
46	(*b*) Nickle base alloys and Nickel chrome alloys including manufactures and scraps thereof.	
47	Copper unwrought, ingots, blooms, slabs, cakes, tiles, blocks bricks, billets, cathodes, blister, bars (electrolytic wire bars).	64(2)
47-A	Antimony ingots, gegulu and star metal	70(1), 70(2), and 70(3)
48	Nickle, including nickel scrap in all forms excluding manufactures thereof, but including Nickel pellets and Nickel Anodes	65 (1) and 70(1)
49	All Copper base alloys including phosphor copper and cupro Nickel and scrap of such alloys in all forms but excluding all manufacutures.	70 (1)
50	Monel Metal unwrought	70(1)
51	Tungsten Metal in all forms including alloys, all manufactures, semis and products thereof.	70(1)
52	Molybdenum metal in all forms including alloys, all manufactures, semis and products thereof.	70(1)
53	Calcium-Manganese-Silicon, and Calcium Silicide .	70(1) and 87
54	Iron and steel screws all sorts including those with gimlet points	63 (33) and (71)
55	Steel earth wire for electric installations	72(3)
55-A	Rollingt Rolls for steel works (whether of cast iron, cast steel or forged).	72(3)
56	Fabricated iron and steelsheets imported for the construction of coal tubs and fabricated galvanised iron sheets for roofing railway Wagons	74
57	Iron of steel tyres, axles, wheels and buffers for locomotives wagons and carriage, whether for railway or tramways, and iron or steel railway or tramway springs, whether laminated or coiled	72 (3), 74, 74(1), 74(3), 75 and 75(4)
58	Locomotive piston rods, motion parts	72 and 72 (3)
59	Pig Iron	63 (4)

PART II

Serial No.	Name of article	Item of First Schedule to Indian Tariff Act, 1934
1	2	3
1	Dry battery wax, red and black, wooden separators and sealing compound for batteries and accumulators.	15, 73 (7) and 87
2	Deleted	
3	Raw Manilla Hemp (fibre)	46(4)(a)
4	Rew hemp excluding raw manilla hemp (fibre)	46(4)
5	Raw Sisal fibre	46(5)
6	Aloe fibre	46(5)
7	Sisal yarn	53
	Packing and Joining material	
7-A	Asbestos manufactures, not otherwise specified	58(1)
7-B	Packing—Engines and Boiler, all sorts, not otherwise specified	58(2)
7-C	Steam, Pneumatic and Hydraulic Packings for all machinery	72(3)
8	Ready-made boiler packing	72(3)
	Metals and manufactured thereof	
9	Iron and steel, and articles made thereof excepting those covered by Parts, I, IV, V and VI of this Schedule (including coated and uncoated electrodes, both rod and wire) and including nonferrous pipe, fittings, telescopic flush tubes, brass/copper coated tubes but excluding old iron and steel and articles made thereof.	63(1) to 63(28)
10	Manufactures of copper, excluding scrap and those mentioned in Part I of the Schedule	64
11	German silver (including nickel silver semi-manufactures and scraps thereof)	65
12	Aluminium circles, sheets and other manufactures, not otherwise specified.	66
13	Aluminium in any crude form including ingots, bars, blocks, slabs, billets, shots and pellets.	66(1) and 66(2)
14	Deleted	
15	Zinc or spelter, manufactures, not otherwise specified, exluding scrap and those mentioned in Part I of the Schedule.	68
16	Manufactures of brass, bronze and similar alloys, not otherwise specified, excluding scrap and chemical or imitation gold and those mentioned in Part I of the Schedulue.	70 and 70(6)
17	All sorts of metals and alloys other than iron and steel and manufactures thereof, not otherwise, specified, excluding those mentioned in Part I, IV, V and VI, of the Schedule.	70(1),70(7), 70 (8) and 70 (9)
18	Racks for withering of tea leaf	71(6)

1	2	3
	Bearings	
19	(1) Ball bearings	71, 72(3), 72 (35) to 72(38)
19	(2) (i) Roller bearings	72 (3), 72 (38) and 75(11)
19(2)	(ii) Component parts of Roller bearings	71, 72(3), 72, 38 and 75 (11)
19(3)	(1) Taper bearings	71, 72 (3), 75 (4), 75 (11)
19(3)	(ii) Component parts of Taper bearings	81, 72 (3), 75 (4), 75 (11)
	Small tools and hand tools	
20	(1) Metal working tools	71 & 72 (3)
	(2) Wood working tools	
	(i) Saws	
	(ii) Cutters	
	(3) The following Hand Tools :	
	Blades, Hacksaw	71 and 72 (3)
	Cutters, glass, Dressers, emery wheel and parts thereof	
	Expanders, tube and parts thereof	
	Files	
	Rasp, and	
	Saws and parts thereof.	
	(4) Twist drills and reamers	71 & 72(3)
	Precision and measuring tools	
21	The following precision and measuring tools	
	(1) Micrometers Universal Surface Gauges; Vernier Height Gauges.	71, 72(3) and 77
	Vernier Depth Gauges.	
	Micrometer Depth Gauges.	
	Rule Depth Gauges.	
	Planer and Shaper Gauges.	
	Taper Parallel Gauges.	
	Screw Pitch Gauges.	
	Filter and Radius Gauges.	
	Feeler Gauges.	
	Thickness Gauge Stocks.	
	Twist Drill and Machine Screw tap Gauges	
	Calliper and Wire Gauges.	
	Drill and Wire Gauges.	
	Jobber's Drill Gauges.	
	Drill Point and Depth Gauges.	
	Rolling Mill Gauges.	

1	2	3
	English Standard Wire Gauges.	
	Dial Gauges.	
	Dial Test Indicators.	
	Lathe Test Indicator.	
	Straight Edges.	
	Indicator Attachments.	
	Vernier Callipers.	
	Universal Bevel Protractors.	
	Protractors.	
	Combination Sets.	
	Stainless Steel Draftsman's Protractors	
	Gear-tooth Verniers.	
	Speed Indicators.	
	Hardened and Ground Steel Parallels.	
	Die Maker's Squares.	
	Hardened Steel Squares.	
	Combination Squares.	
	Universal Bevels.	
	Automatic Centre Punches.	
	Combination Calliper and Dividers.	
	Steel Rules.	
	Measuring Tapes.	
	Feeler Gauge Strip.	
	(2) Toolmaker's Buttons	71
	Abrasives	
22	Sand papers and glass papers, ...	30 and 30 (9)
23	Value grinding pastes and compounds	32 (3)
24	Grinding wheels and segments, abrasive grinding belts, rolls and discs	71 (8), 81(12) & 72(3)
25	Carborundum, files, abrasive bricks, emery powder, emery grain, emery cloth, emery paper, abrasive grain and carborundum powder	30(10) and 87
	Crucibles	
26	(1) Graphite crucibles for pit fired furnaces . . .	87
	(2) Graphite crucibles including covers, muffle, rings and stands for tilting furnaces	72(c) and 87
	(3) Silicon Carbide crucibles for pit fitted furnaces . .	87
	(4) Silicon Carbide crucible for tilting furnaces . .	72(c) and 87
	Belting	
27	Belt cement	32 (3)
27-A	Belt Dressings	32(3) and 33
28	Belting for machinery, all sorts, including belt laces and belt fasteners	50 (3) 72 and 72 (13)

(1)	(2)	(3)
	Machinery	
29	Power driven road rollers and component parts thereof	72(*a*) and 72 (3)
30	Diesel engines of all types, and component parts thereof except spare parts for internal combusion engines of road vehicles type	72 (a) and 72 (3)
31	Petrol gas and Kerosene-engines of all types (excluding automobile units) and component parts thereof except spare parts for petrol internal combusion engines of road vehicle type	72(*a*) and 72(3)
32	Motors and generators of any types or design and component parts thereof	72(*b*), 72(3)a 72(14)
33	Pneumatic plants consisting of primemovers and auxiliary equipment including parts thereof and portable electric tools of all kinds and parts thereof	72(*b*) and 72(3), 72(6) and 73.
33-A	Industrial Exhaust fans and blowers	72(*b*), 72(3),72(6) and 73(18)
33-B	Compressors air or gas portable or satationary but not being imported as an intergral part of any spray painting, a refrigerating or air conditioning equipment or as component part of any engine	72(*b*), 72(3) and 72(6)
34	Power driven pumps, and compqnent parts thereof, excluding trailer pumps	72(*b*), 72(3) and 72(6)
34.A	Polishing bobs and wheels, scratch brushes and scouring brushes which are component parts of polishing machines	72(3) and 72(6)
36	The following articles of machinery not otherwise specified in this Schedule *when required for jute industry, hemp industry, tea industry, iron and steel production works, electric supply undertaking and mines and quarries.*	
	(1) Primemovers,boilers,locomotives engines and tenders for the same portable engines (including fire engines), and other machines in which the primemover is not separable from the operative parts	72(*a*)
	(2) Machines and sets of mchines to be worked by electric, steam, water, fire or other power, not being manual or animal labour, or which before being brought into use required to be fixed with reference to other moving parts	72(*b*)
	(3) Appartatus and appliances to be operated by manual or animal labour which are designed for use in an industrial system as parts indispensable for its operation and have been given for that purpose some special shape for quality which would not be essential for their use for any other purpose	72(*c*)
	(4) Control gear (other than electric) self-acting or otherwise, and transmission gear (other than electric), designed for use with any machinery above, specified including driving chains, but excluding driving ropes not made or cotton and belting	72(*d*)
	(5) Component parts as defined in Import Tariff Item No. 72(3) of machinery specified in clause (1), (2), be (3) and (4) above excluding those covered by Serial No. 68 of Part V of this Schedule	72(3)
	(6) Machines or parts of machines to be worked by manual or animal labour, not otherwise specified, and any machines except such as are designed to be used exclusively in industrial processes which require for their operation less than one quarter of one-brake horse-power excluding typewriters and sewing machines and parts thereof	72(6)

(1)	(2)	(3)
36-B	The following Hardware, ironmongery and tools, namely agricultural implements, not otherwise specified and pruning knives and parts thereof	71(1)
37	(1) The following textile machinery and apparatus by whatever power operated required for jute and hemp, textiles industries, namely, healds, heald cords and heald knitting needles; reeds and shuttles; warp and weft preparation machinery and looms; bobbins; dobbies; jacquard machines; jacquard harness linen cords; jacquard cards; punching plates for jacquard cards; warping mills; multiple box sleys; solid border sleys; tape sleys; swivel sleys; tape looms; heald knitting machines; dobby cards; lattices and lags for dobbies; sizing machines; doubling machines; cone widening machines; piano card cutting machines; harness building frames; card lacing frames; drawing and anting hooks; sewing thread balls making machines, cumbli finishing machinery; hank boilers; mail eyes; lingoes; take-up motions; temples and pickers; picking bands; picking sticks; printing machines . .	72(1), 72(3) 72(40)
37	(2) Component parts as defined in Import Tariff No. 72(3) of machinery specified in clause (1) above, excluding those covered by Serial No. 68 of Part V of this Schedule .	72 (3)
37-A	The following component parts of machinery *when required for the Railways* :—	
	Component parts, not otherwise specified in this Schedule of machinery, as defined in item 72(a) of the First Schedule to the Indian Tariff Act, 1934 namely, such parts only as are essential for the working of the machines or apparatus and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose, and excluding articles covered by Part VI of this Schedule :	72(3)
	Provided that the articles which do not satisfy this condition shall also be deemed to be component parts of the machine to which they belong if they are essential to its operation, and are imported with it in such quantities as may appear to the Collector of Customs to be reasonable.	
	Electrical goods	
38	Electric insulation, including presspahan (electrical grade) but excluding Ebonite rods, tubes and sheets;	45, 73—82(5) 87.
38-A	Electric N. O. S. for torches	60(2) & 60(3) 73
39	The following electrical instruments and accessories	71, 72 (2), 72(3), 73, 73(1), 73(5)
	Indicating Switch board and Controller mounting instruments (Voltmeters, Ammeters, Wattmeters, Power Factor Meters, Frequency Meters, Synchro-scopes).	73 (16) and 77 (2).
	Portable instruments (Portable Moving Coal and Moving Iron; Volt-meters, Ammeters, Wattmeters, Power Factor Meters, Frequency Meters).	

(1)	(2)	(3)
	Recording instruments—(Portable and permanent fixing recording Voltmeters, Ammeters, Watt-meters).	
	Meg, Meggers, Insulation testers and Accessories : Ammeters. Capacity Meters. Maximum Demand Meters.	
	Wheatstone Bridge.	
	Fault Locating Sets.	
	Potentiometers. Instrument Transformers. Time Switches. Pyrometers and Thermocouples G. P. O. Detectors.	
	Standard Accessories such as, Connecting Leads Compensating Leads, Standard Cells, Resistance Boxes and Galvanometers for use with instruments.	
	House Service Meters A. C. and D. C. of any capacity.	
	Industrial and Street-lighting Fittings and Flood-lights. Tumbler Switches, Ceiling Roses, Plugs and Sockets, Porcelain Cuttouts and Lampholders.	
	Conduct Accessories.	
	Bell wiring Accessories (excluding wire)	
40	Cable Accessories	72(3) and 73
41-A	Synthetic Graphite and Amorphous Carbon electrodes as used in Electric Furnaces for production of iron, steel, ferro-alloy and non-ferrous metals. Synthetic Graphite and Amorphous Carbon electrodes for use in electrolytic process, electrode paste and Carbon Furnace (liner) Blocks for use in electric furnaces	72(*c*) & 72(3)
42	Electric control gear and electric transmission gear .	72(*d*) and 72 (3)
43	Bare hard drawn electrolytic copper wires and cables electrical wires and cables of other metals and alloys, whether insulated or not n.o.s. and poles and troughs, conduits and insulators designed as parts of transmission system and fittings thereof and also Flexible metallic tubes	72(*e*), 72(12) & 73 (19)
44	Electric fans, table and ceiling and parts thereof . . .	3(18)
45	The following electrical instruments, apparatus and appliances excluding automatic blackout control switches, and parts thereof not otherwise specified namely :— Electrical Control Gear and Transmission Gear, namely switches (excluding switch boards) fuses and current breaking devices of all sorts and descriptions designed for use in circuits of less than ten amperes and at pressure not exceeding 250 volts ; and regulators for use with motors designed to consume less than 187 watts ; bare or insulated copper wires and cables any one core of which, not being one specially designed as a pilot core, has a sectional area of less than one-eightieth part of a square inch and wires and cables of other metals of not more than equivalent conductivity and line insulators, including also cleats, connectors leading in tubes and the like, of types and sizes such as are ordinarily used in connection with the transmission of power for other than industrial purpose and the fittings thereof but excluding electrical earthenware and porcelain otherwise specified	73(1) and 72(12)

(1)	(2)	(3)
46	The following Electrical instruments Apparatus, and Appliances namely, telegraphic and telephonic instruments apparatus and appliances not otherwise specified, flash lights carbons, condensors and bell apparatus and switch boards designed for use in circuits, of less than ten amperes and at pressure not exceeding 250 volts and parts thereof . .	73(2), 73 (8) and 73(14)
46-A	Accumulators and batteries including batteries for motor vehicles, wireless apparatus and train lighting and traction . .	72, 73 (2), 73(4), 73(7), 73(15), 75 (1) & 75 (3)
46-B	Telegraphic instruments and apparatus and parts thereof imported by or under orders of Railway Administration	73(3)
	Electrical earthenware and porcelain, the following, namely :—	
	(*a*) Insulators, Shackle, Sinclair, Cordeaux, or Pin-type, not otherwise specified—	73(5)
	(i) fitted	
	(ii) not fitted.	
	(*b*) Two-way cleats.	
	(*c*) Spacing insulators	
	(*d*) Ceiling roses—	
	(i) fitted	
	(ii) not fitted.	
	(*e*) Joint box cut-outs :—	
	(i) fitted	
	(ii) not fitted.	
48	Rubber Insulated Copper wires and Cables no core of which other than one specially designed as a pilot core, has a sectional area of less than one-eightieth part of a square inch, whether made with any additional insulating or covering material or not	73(6)
48-A	Electric Exploders	73
	Transport Material	
49	Coal tube, tipping wagons and the like conveyances designed for use on light rail tracks, if adapted to be worked by manual or animal labour and if made mainly of iron or steel ; and component parts thereof made of iron or steel excluding articles specified in Part I of this Schedule	74
50	Railway material for permanent-way and rolling stock namely sleepers, other than iron and steel and fastenings thereof bearing plates, chains, interlocking apparatus, brakegear, shunting skids, couplings and springs signals, turntables, weight bridges carriages, wagons traverses, rail removers, scooters, trollies, trucks ; also order cranes water-cranes and water tanks when imported by or under the orders of a railway administration	72(4)&74(2)

(1)	(2)	(3)
	Provided that for the purpose of this entry "railway" means a line of railway subject to the provisions of the Indian Railways Act, 1890, and includes a railway constructed in a State in India and also such tramways as the Central Government may, by notification in the official Gazette, specially include therein; Provided also that articles of machinery as defined in item No. 72 or 72(3) of the First Schedule to the Indian Tariff Act, 1934, shall not be deemed to be included hereunder.	
51	Rubber fittings being component parts of railway carriages .	74(3)
52	Component parts (other than rubber fittings being component parts of railway carriages and articles specified in Part I of this Schedule) of Railway materials; as defined in item No. 74(2) of the First Schedule to the Indian Tariff Act, 1934, namely, such parts only as are essential for the working of the railways and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose	74(3)
	Provided that articles which do not satisfy this condition shall also be deemed to be component parts of the railway material to which they belong if they are essential to its operation and are imported with it in such quantities as may appear to the Collector of Customs to be reasonable	
	Miscellaneous	
53	Safety lamps and spare parts thereof	77
	PART III	
1	Sodium Acetate ; Sulphate of Alumina (iron free) ; Chromium Acetate, Hydrosulphite of Soda ; Rangolite C or Formusul L ; Sodium Nitrite; Textile Preservative Desizing Agents, Leveling Agents ; Panetrating Agents, Scouring Agents ; Wetting our Agents ; Emulsifying Agents ; Mordanting Agents ; Turkey Red Oil ; Oil and Grease Removers ; Textile Oiling Agents ; Solvents for Printing Discharging Agents ; Anti-Reduction Kier Boiling and Softening Agents	28
1-A	Zinc Chloride	28(8) and 30(13)
1-B	Dyes derived from coal tar, and coal tar derivaties used in any dyeing process	30(1), 30(13), 30(15) and 30(16)
2	Cotton, raw	46(3)
3	Cotton ropes and bandings	50(4) and 53
4	The following articles of machinery not otherwise specified in this schedule *when required for textile industries other than jute and hemp* ;	
	(1) Prime-movers, boilers locomotive engines and tenders for the same, portable engines (including fire engine) and other machines in which the prime-mover is not separable from the operative parts	72(*a*)
	(2) Machines and sets of machines to be worked by electric, steam, water , fire or other power, not being manual or animal laboua, or which before being brought into use is required tobe fixed with reference to other moving parts	72(*b*)

(1)	(2)	(3)
	(3) Apparatus and appliances, not to be operated by manual or animal labour, which are designed for use in an industrial system as parts indispensable for its operation and have been given for that purpose some special shape or equality which would not be essential for their use for any other purpose	72(*d*)
	(4) Control gear (other than electric), selfacting or otherwise, and transmission gear (other than electric), designed for use with any machinery above specified, inluding driving chains, but excluding driving ropes not made of cotton and belting.	72(d)
	(5) Component parts, excluding hosiery needles as defined in Item No. 72(3) of the First Schedule to the Indian Tariff Act, 1934, of machinery specified in clauses, (1), (2), (3) and (4) above, but excluding those covered by Serial No. 68 of Part V of this Schedule	72(3)
	(6) Machines or parts of machines to be worked by manual or animal labour not otherwise specified and any machines (except such as are designed to be used exclusively in industrial processes) which require for their operation less than one quarter of one-brake-horse-power excluding typewriters and sewing machines and parts thereof and those articles that are covered by Part VI of this Schedule. .	.72(6)
5(1)	The following textile machinery and apparatus by whatever Power operated when required for textile industries other than jute and hemp, namely :—	
	Blow-room machinery, Carding Engine, Combers, (including Silver Lap Machines, Ribben Lap machine, Lap, forner) Speed Frames. Draw Frames, Ring Farmers, Warp and Weft Preparatory machinery (winding machines, Warping machine, sizing machine, Prin Winding machine), Drawing-in and Twisting-in machines (Warp typing machine, Reaching machines, etc.) Doubling machines, looms (all types), Wool Carding, Spinning and Weaving maclinery, Silk Throwing, Reeling, Twisting and Weaving machinery, Waste Spinning machinery (all types).	72(1), 72(4), 72(33), 72(40) and 72(b)
5(2)	Component parts as defined in Import Tariff Item No. 72(3) of machienery specified in clause (1) above, excluding those covered by Serial No. 68 of Part V of this Schedule . .	48(c), 48(1)
5-A	Machine cloth	72(1) and 72(3)
6(*a*)	Knitting machines including hosiery machines to be worked by manual labour or which require for their operation less than one quarter of brake horse power	72(10)
6(*b*)	Knitting machines (including hosiery machines and embroidery maclines) but excluding knitting machines requiring less than one quarter house power for their operaion . .	
6(*c*)	Component parts for knitting machines, hosiery machines and embroidery machines falling under (*a*) and (*b*) above (excluding hosiery needles).	

PART IV

1	Animals, living all sorts	1 and 1(1)
2	Bacon and ham, not canned or bottled . . .	1(2)
3	Fish, not otherwise specified	3
4	Fish, salted, wet	3(1)
5	Fish, salted, dry	3(2)

(1)	(2)	(3)
6	Fish, unsalted, dry	3(3)
7	Fishmaws, including singally and sozile and Sharkfins	3(4)
8	Butter, cheese and ghee	4, 4(4) and 4(5)
9	Powdered milk containing not less than 18 per cent cream intended for infant feeding	4(1)
10	Milk, condensed or preserved, including milk cream, not otherwise specified	4(1) and 4(2)
11	Coral, unprepared	5
12	Cowries	5(1)
13	Shells	5(1)
14	Ivory unmanufactured	5(2)
15	Plants, living not otherwise specified	6
16	Rubber stumps	6(1)
17	Potatoes	7
18	Vegetables, all sorts, excluding potatoes, fresh, dried, salted or preserved, not otherwise specified	7 and 7(1)
19	Coconuts	8
20	w nuts	8
21	ruits, all sorts, excluding coconuts and cashew nuts, fresh dried, salted or preserved, not otherwise specified	8, 8(2), 8(3) 8(4) and 8(5)
22	Currants	8(1)
23	Coffee, not otherwise specified	9
24	Coffee, canned or bottled	9(1)
25	Tea	9(2)
26	The following spices, whether ground or unground, namely :— Cardamoms, cassia, Cinnamon and pepper	9(3)
27	Cloves, all sorts, whether ground or unground	9(3)
28	Nutmegs	9(3)
29	The following unground spices, namely :—Chillies, ginger and mace	9(4)
30	Betelnuts	9(5)
31	Vanilla beans	9(6)
32	Grain, not otherwise specified including broken grain but excluding flour	10 and 10(2)
33	Flour, not otherwise specified	11
34	Sago flour	11(2)
35	Sago, tapioca and tapioca flour	11(3) and 11(6)
36	Vegetable seeds	12
37	Seeds, all sorts, not otherwise specified, excluding, vegetable seeds	12 and 12(6)
38	Copra or coconut kernel	12(2)
39	Oilseeds non-essential, all sorts, not otherwise specified, excluding copra or coconut kernel	12(2)
40	Rubber seeds	12(3

(1)	(2)	(3)
41	Hops	12(4)
42	Fodder, bran and pollards	12(5)
43	Wattle extract	13
44	Wattle bark	13(1)
45	Barks for tanning, excluding wattle bark	13(1)
46	Cutch and gambier, all sorts	13(2)
47	Olibanum and frankincense	13(3)
48	Gum, arabic	13(4)
49	Gum, Banjamin (ras and cowrie) and Dammer (including unrefined batu) and rosin	13(4) and 13(9)
50	Stick or seed lac	13(5)
51	Opium	13(6)
52	Cinchona bark	13(7)
53	Canes and rattans	14
54	Stearine	15(10)
55	All sorts of animal fats, not otherwise specified excluding Stearine	15
56	Wax all sorts, not otherwise specified, excluding paraffin wax, Microcrystalline wax and dry battery wax, red and black	15
57	Deleted	
58	Lard, not canned or bottled	15(1)
59	Beeswax—	15(2)
60	Tallow	15(3)
61	Vegetable non-essential oils, not otherwise specified	14(6) and 15(11)
62	Coconut oil	15(7)
63	The following vegetable non-essential oils, namely groundnut and linseed	15(7)
64	All sorts of animal oils, not otherwise specified	15(8) and 15(12)
65	Canned or bottlerd bacon, ham or lard	16
66	Fish, canned	16(1) and 16(3)
67	Isinglass, canned or bottled	16(2)
68	Sugar, excluding confectionery	17
69	Molasses	17(1)
70	Confectionery	17(2)
71	Sugre-candy	17(3)
72	Cocoa and chocolate other than confectionery	18
73	Biscuits and cakes	19 and 19(3)
74	Milk food for infants	19(1)
75	Vegetables product, pickles, chutneys, sauces, ketchups and condiments, canned ot bottled	20
5-A	Jams, Jellies and Marmalades, canned or bottled	20(4)
76	Fruit Juices, Squashes, Cordials and Syrups, not otherwise specified	20(1)

(1)	(2)	(3)
76-A	Juices, either individually or in mixture, of apricots, berries, grapes, pineapples, plums and prunes	20(5)
77	Tomatoes, potatoes, onions and cauliflowers, canned or bottled	20(2)
77-A	Fruits, canned or bottled not otherwise specified	20(3)
77-B	Asparagus, canned	20(6)
77-C	Vegetables canned or bottled, all sorts, other than tomatoes, potatoes, onions and cauliflowers	20(7)
77-D	Canned fruits of the following description namely :—Apricots, Berries, Grapes, Plums and Prunes and fruit salads composed of not less than 80 per cent in quantity and in value of the above-named fruits	20(8)
77-E	Pineapples, canned	20(9)
78	Canned or bottled provisions not otherwise specified	21, 21(1) 21(4) 21(5) and 21(6)
79	Provisions and oilman's stores and groceries, all sorts, not otherwise specified	21(1) 21(7) 21(8) 21(9) and 21(10)
80	All sorts of food, not otherwise specified	21(2)
81	All sorts of drink, not otherwise specified	22
82	Ale, beer, porter, cider and other fermented liquors	22(1) and 22(2)
83	Wines	22(3) and 22(4)
84	Brandy, gin and whisky	22(4)
85	Spirits, excluding essences containing spirits used for the manufacture of beverages, not otherwise, specified in this Schedule	22(4)
86	Deleted	
87	Drugs and medicines containing spirit	22(5)
88	Perfumed spirits	22(5)
89	Bitters and rum	22(5)
90	Denatured spirit	22(6)
91	Vinegar in casks	22(7)
92	Oilcakes	23
93	Tobacco manufactured, not otherwise specified	24
94	Cigars	24(1)
95	Cigarettes	24(2)
96	Tobacco unmanufactured	24(3)
97	China clay	25
98	Salt	25(1) and 25(2)
99	The following building and engineering materials, namely chalk, lime and clay	25(3)

(1)	(2)	(3)
100	Cement, not otherwise specified	25(4)
101	Portland cement, excluding white Portland cement	25(5)
102	Stone prepared as for road metalling	25(6)
103	Marble and stone, not otherwise specified	25(7)
104	Coal, coke and patent fuel	28
105	Mineral oil, not included in Item No. 27(4) or Item No. 27(6) of the First Schedule to the Indian Tariff Act, 1934 which is suitable for use as an illuminant in wick lamps	27(5)
106	Mineral oil—	27(7)
	(*a*) which has its flashing point at or above two hundred degrees of Fahrenheit's thermometer, and is ordinarily used for the batching of jute or other fibres.	
	(*b*) which has its flashing point at or above one hundred and fifty degree, of Fahrenheit's thermometer, is not suitable for use as an illuminant in which lamps, and is such as is not ordinarily used except as fuel or for some sanitary or hygienic purposes.	
107	Deleted.	
108	Amalgams and preparations of mercury compounds but excluding anti-fouling composition and mercury compounds	28
109	Drugs and medicines, all sorts, not otherwise specified in this schedule	28, 28-A 28(21) 28(23) 28(24) 28(25) 28(26) 28(26-A) 28(27) 28(28) and 28(31)
110	Deleted.	
111	Saccharine except in tablets and such other substances as the Central Government may, by notification in the Official Gazette, declare to be of a like nature or use to Saccharine	28(9)
112	Saccharine tablets	28(10)
113	Alkaloids of opium and their derivatives	28(11)
114	Alkaloids extracted from Chinchona Bark including Quinine and Alkaloids derived from other sources which are chemically identical with alkaloids extracted from Chinchona Bark	28(12)
115	Toilet requisities, not otherwise specified	28(14) & 28(30)
116	Cinematograph films, not exposed	29
117	Cinematograph films, exposed	29(1)
118	Deleted	
119	Deleted	
120	Deleted	
121	Deleted	
122	Plumbago and graphite	30(5)
123	Printer's ink	30(6)
124	Lead pencils	30(7)

(1)	(2)	3
125	Slate pencils	30(8)
126	Pine oil	31
127	Natural essential oils, all sorts, not otherwise specified, excluding pine oil	31
128	The following natural essential oils, namely—cirtronella, cinnamon and cinnamon leaf	31(1)
129	The following natural essential oils, namely —almond, bergamot, gajupatti, camphor, clove, eucalyptus, lavender, lemon, otto-rose, and peppermint	31(2)
130	Essential oils, synthetic	31(3)
131	Camphor	31(4)
132	Perfumery, not otherwise specified	31(5)
133	Soap, not otherwise specified	32
134	Soap, toilet	32(1)
135	Soap, household and laundry	32(2)
136	Polishes and compositions, excluding valve grinding pastes and compounds belt cement and belt dressings	32(3)
137	Candles	32(4)
138	Glue, not otherwise specified, excluding belt dressings	33
139	Glue, clarified, liquid	33(1)
140	Fireworks specilly prepared as danger or distress light for the use of ships	34(2)
141	Fireworks not otherwise specified	34(3)
142	Matches, undipped splints and veneers	34(4)
143	Hides and skins, not otherewise specified	36
144	Hides and skins, raw or salted	36(1)
145	Skins other than (Fur skins), tanned or dressed and unwrought, leather	36(2)
146	The following leather manufactures namely :—saddlery, harness, trunks and bags	37
147	Leather cloth including artificial leather	37(2)
148	Manufactures of leather, not otherwise specified	37(1)
149	Fur skins, dressed	38
150	Rubber, raw	39
151	Firewood	40(1)
152	Furniture and cabinet ware, and parts thereof not otherwise specified excluding mouldings	40(2)
153	Aluminium tea chest linings	40(3)
154	Cork manufactures, not otherwise specified	41
155	Furniture of Wickerwork or bamboo and parts of such furniture, not otherwise specified	42
156	Writing paper	44
157	Printing paper, excluding poster and stereo and all coated papers, but including art paper, all sorts, which contain no mechanical wood pulp or in which the mechanical wood pulp amounts to less than 70 per cent of the fibre content	44

(1)	(2)	(3)
158	Printing paper, all sorts, not otherwise specified which contain mechanical wood pulp amounting to not less than 70 per cent of the fibre content, excluding white printing paper mentioned in Serial No. 44 of Part V of this schedule	45
159	Paper, including poster and stereo and all coated papers except art papers, all sorts, not otherwise specified excluding paper and packing wrapping paper	44
160	Packing and warapping paper	44
161	Deleted	
162	Trade catalogues and advertising circulars imported by packet book or parcel post	44(5)
163	Deleted.	
164	Newspapers, old, in bags and bales	44(7)
165	Steel pens	45 and 45(6
166	Duplicating stencils	45
167	Fountain pens and parts thereof	45 and 45(3)
168	Articles made of paper and papier mache ; stationery including drawing and copy books, labels, advertising circulars, sheet or card almanacs and calenders, Christmas, Easter and other cards, including cards in booklet forms; including also waste paper but excluding steel pens, duplicating stencils, fountain pens and parts thereof, pressphan paper, rubber bands, erasers and stamps and rubber hand rollers for cylostyling and paper and stationery otherwise specified.	44, 45, 45(4), 45(5) and 82(5)
169	Standard technical books or books of reference concerning law and legal practice, or for use in connection with medical practice, scientific research or industrial processes	45(1)
170	Books, printed, including covers for printed books, maps, charts and plans, proofs, music manuscripts, and illustrations specially made for binding in books, but excluding books falling under Serial No. 169 of this part of this Schedule	45(1)
171	Prints, engravings, and pictures (including photographs and picture post cards) on paper or hard board	45(2)
172	Silk raw (excluding silk waste and noils) and cocoons	46
173	Silk waste and noils	46(1)
174	Textile materials the following :—Raw flax, jute and all other unmanufactured textile materials, not otherwise specified	46(4 (b
175	Silk yarn including thrown silk warps, and yarn spun from silk waste or noils, but excluding sewing thread	47
176	Silk-sewing thread	47(1)
177	Artificial silk yarn and thread	47(2)
178	Hand knitting wool	47(4)
179	Cotton thread other than sewing or darning thread	47(5)
180	Cotton twist and yarn	47(6)
181	Cotton sewing thread	47(6)
182	Cotton darning thread	47(6)
183	Twist and yarn of flax or jute	47(7)
184	Fabrics, not otherwise specified containing more than 90 per cent of silk, including such fabrics embroidered with artificial silk	48

(1)	(2)	(3)
185	Fabrics, not otherwise specified containig more than 90 per cent of artificial silk	48(1)
186	Khaki, air blue, barathea and other woollen fabrics, not otherwise specified, suitable for making uniforms and containing more than 90 per cent of wool, excluding left and fabrics made of shoddy or waste wool	48(2)
187	Woollen fabrics, not otherwise specified, (including shawl cloth) containing more than 90 per cent of wool, excluding felt and fabrics made of shoddy and waste wool, and the fabrics specified in serial No. 186 of this Part of this Schedule. .	48(2)
188	Cotton fabrics, not otherwise specified containing more than 90 per cent of cotton :—	48(3)
	(*a*) grey piecegoods (excluding bordered grey chadars, dhoties saries and scarves)	48(2)
	(*b*) printed piecegoods and printed fabrics.	
	(*c*) cotton piecegoods and fabrics, not otherwise specified.	
189	Fabrics, not otherwise specified, containing more than 10 per cent and not more than 90 per cent silk	48(4)
190	Fabrics, not otherwise specified, containing not more than 10 per cent silk but more than 10 per cent and not more than 90 per cent artificial silk	48(5)
191	Khaki, air blue barathea and other fabrics, not otherwise specified suitable for making uniforms and containing not more than 10 per cent silk or 10 per cent artificial silk but containing more than 10 per cent but not more than 90 per cent wool	48(6)
192	Fabrics, not otherwise specified, containing not more than 10 per cent silk or 10 per cent artificial silk but containing more than 10 per cent but not more than 90 per cent wool, excluding fabrics, specified in Serial No. 191 of this Part of this Schedule	48(6)
193	Fabrics, not otherwise specified containing not more than 10 per cent silk or 10 per cent artificial silk or 10 per cent wool but containing more than 50 per cent and not more than 90 per cent cotton	48(7)
194	Fabrics, not otherwise specified, containing not more than 10 per cent silk or 10 per cent artificial silk or 10 per cent wool or 60 per cent cotton	48(8)
195	The following cotton fabrics, namely :—Sateens including Italians of Sateen weaves, velvets and velveteens and embroidered allovers	48(9
196	Fabrics containing gold or siler thread	48(10)
197	Textile manufactures, the following articles when made wholly or mainly of any of the fabrics specified in Item No. 48(3)(b) of the first Schedule to the Indian Tariff Act, 1 934 :—Bedsheets, bedspreads, bolstercases, conterpanes, table cloths, tray clothes, bed covers, table covers, dusters, glass cloths, handkerchiefs, napkins, pillow cases, pillow slips, scarves, shirts, shawls, cotton socks, towels, umbrella coverings.	49
198	Textile manufactures, being the articles specified in Serial No. 197 of this Part of this Schedule, but being mad wholly or mainly of fabrics specified in Item No. 48(3)(c) of the First Schedule to the Indian Tarifi Act, 1934 . . .	49

(1)	(2)	(3)
	Textile manufactures, being the articles specified in Serial No. of this Part of this Schedule, but being made wholly or mainly of any of the fabrics specified in Items Nos. 48, 48(1), 48(3)(*a*) 48(4), 48(5), 48 (7), 48(9), or 48(10) of the First Schedule to the Indian Tariff Act, 1934	49
200	Fents, being *bona fide* remnants of piecegoods or other fabrics of material liable to duty under item No. 48(4) of the First Schedule to the Indian Tariff Act 1934, not exceeding 4 yards, in length	49(1)(*a*)
201	Fents, being *bona fide* remnants of piecegoods of the fabrics of materials liable to duty under Item Nos. 48, 48(1), 48(4), or 48(5) of the First Schedule to the Indian Tariff Act, 1934, not exceeding 2-1/2 yards in length	49(1)(*b*)
202	Fents, being *bona fide* remnants of piecegoods or other fabrics of materials other than those specified in Serial Nos. 200 and 201 of this Part of this Schedule not exceeding 4 yards in length	49(1)(*c*)
203	Ribbons	99(2)
204	Blankets and rugs (other than floor rugs) excluding blankets and rugs made wholly or mainly from artificial silk . .	49(3)
205	Woollen carpets, floor rugs, ruffle cloth, shawls and lohies .	49(4)
206	Manufactures of wool, not otherwise, specified, including felt but excluding those specified in Serial No. 205 of this Part of this Schedule	49(4)
207	Cotton braids or cords, the following namely :'—ghoonsis and muktaksis	49(5)
208	Jute manufactures, not otherwise specified	50
209	Second-hand or used gunny bags or cloth made of jute .	50(1)
210	Hemp manufactures	50(2)
211	Oil cloth and floor cloth	50(3)
212	Mats and mattings, not otherwise specified	50(7)
213	Coir fibre, coir yarn and coir mats and mattings . .	50(8)
214	Socks and stockings made wholly or mainly from silk or artificial silk	51
215	Woollen hosiery and woollen knitted, apparel, that is to say, all hosiery and knitted apparel containing not less than 15 per cent of wool by weight	51(1)
216	Cotton knitted apparel, including apparel made of cotton, interlo cing materials, cotton undervests, knitted or woven and cotton socks and stockings	51(2)
217	Cotton knitted fabrics	51(3)
218	Lace embroidery	52 and
219	Deleted.	52(4)
220	Second-hand clothings	52
221	Waterproof clothing	52
222	Haberdashery, millinery and drapery	52
223	Apparel and hosiery not otherwise specified . . .	52
224	Uniform and accoutrements pertaining thereto, imported by a public servant for his personal use	52(2)
225	Deleted.	
226	Textile manufactures, not otherwise, specified excluding sisal yarn, delivery hose of trailer pumps, hose made of canvas impregnated with rubber, and cotton bandings . .	53 & 53(2)

(1)	(2)	(3)
227	Second-hand boots and shoes, other than those containing rubber	54
228	Boots and shoes, not being second-hand other than those containing rubber	54
229	Uppers for boots and shoes unless entirely made of leather	54(2)
230	Hats, caps, bonnets and hatters' ware, not otherwise specified	55, 55(15), 55(2) and 55(3)
231	Fittings for umbrella, parasols and sunshades	56
232	Parasols and sunshades	56
233	Umbrella	56(1)
234	Articles made of stone or marble	58
235	Deleted.	
236	Tiles, other than glass, earthenware or porcelain tiles	59
237	Firebricks	59
238	Buildings and engineering materials, all sorts, not of iron, steel or wood, not otherwise specified excluding tiles other than glass, earthenware porcelain tiles and fire bricks not being component parts of any article included in Item No. 72 or No. 74(2) of the First Schedule to the Indian Tariff Act, 1934	59
239	Earthenware, all sorts, not otherwise specified	59(2)
240	China and porcelain, all sorts, not otherwise specified	59(2)
241	Earthenware pipes and sanitary ware	59(3)
242	Tiles of earthenware and porcelain	59(3)
243	Domestic earthenware china and porcelain, the following namely: tea cups, coffee cups, saucers, for use with tea cups or coffee cups, tea pots, sugar-bowls, jugs, having a capacity of over 10 ozs, and plates over 5-1/2 inches in diameter	59(5)
244	Sheets and plate glass	60(6) 60(7)
245	Glass table ware excluding glass tumblers	60
246	Glass tumblers	60
247	Glass bottles and phials	60
248	Glass and glassware, not otherwise specified and lacquered-ware	60 & 60(8)
249	Glass globes and chimneys for lamps and lanterns	60(10)
250	Electric bulbs for torches	60(5)
251	Deleted.	
252	Glass bangles, glass beads and false pearls	60(3) & 60(4)
253	Precious stones, unset and imported uncut, excluding diamonds in all forms	61
254	Pearls, unset	61
255	Precious stones, unset and imported cut	61(1)
256	Deleted.	
257	Imitation gold and imitation silver thread and wire, lametta and metallic spangles and articles of like nature made of metals other than gold or silver	61(5)
258	Deleted.	
259	Gold-plated pen nibs	61(7)
260	Articles, other than cutlery and surgical instruments, plated with gold or silver	61(8)
261	Cutlery plated with gold or silver	61(9)
262	Jewellery and Jewels other than those made mainly or wholly of gold or silver	61(10)

(1)	(2)	(3)
263	Empty drums and barrels returned by Steam-ship Companies to Oil Companies in India	63(28)
264	Enmalled iron ware, the following namely : signboards and the following articles, domestic hollow-ware, namely basins, bowls, dishes, plates and thals, including rice-cups, rice-bowls, and rice-plates	63(29)
265	Chemicals or imitation gold known by any name such as "New Gold", " Star Gold", "Orient Gold" etc.	70 and 70(1)
266	Mercury	70(7)
267	Domestic hardware and stoves made of aluminium and parts thereof	71 and 71(9)
268	Domestic hardware and stoves not made of aluminium and parts thereof	48(3)71 and 71(a)
269	Enamelled ironware, not otherwise specified	71
270	Garden tools	71, 71(1)
271	Metal lamps and parts of lamps made os aluminimum	71, 71(7) and 71(11)
272	Metal lamps and parts of lamps not made of aluminium	71, 71(7) and 71(11)
273	Incandescent mantles	71
274	Zip fastners and metallic parts thereof	71 and 71(3)
275	Hardware, Ironmongery and tools all sorts, not otherwise specified in this Schedule and parts thereof excluding tools and agricultural implements	61(11) and 71.
276	Buckets of tin, or galvanised iron and parts thereof	71(1)
277	Safety razor blades	71(2) and 71(10)
278	Cutlery, all sorts, not otherwise specified, excluding safety razor blades	71(2) and 71(10)
279	Metal furniture and cabinetware and parts thereof	71(3)
280	Printing type	71(4)
281	The following printing materials namely :—leads, brass rules, wooden and metal quons, shooting sticks, and galleys and metal furniture	71(5)
282	Deleted.	
283	Sets of mats when imported as advertising materials in connection with exposed films	72(3)
284	Domestic refrigerators	72(5)
285	Typewriter ribbons	72(27)
286	Typewriting and parts thereof, excluding typewriters ribbons	72(26) and 72(27)
287	Domestic sewing machines, complete	72(6) and 72(11)
288	Pa.ts of sewing machines comestic	72(6) and 72(11)

1	2	3
289	Wireless Reception Instruments and Apparatus including Wireless Transmission Apparatus	73(4) and 73(13)
290	Component parts Wireless Reception Instruments and Apparatus, including all electric valves, amplifiers and loud-speakers which are not specially designed for purposes other than wireless reception or are not original parts of and imported along with instruments or apparatus, so designed but excluding those mentioned in Part II of the Schedule	73(4), 73(10), 73(1) 73(12)
291	Motor vans and motor lorries imported complete . . .	75
292	Motor cars including taxi cabs	75(1)
293	Articles (other than rubber tyres and tubes and iron steel bolts & nuts for motor cars) adapted for use as parts and accessories of motor cars, including taxi cabs but excluding those mentioned in Part II of the Schedule]	75(9), 75(10), 75(11) 75(12) and (12A) 75(15), and 75(16).
294	Motor cycles and motor scooters	75(2)
295	Article (other than rubber tyres and tubes) adapted for use as parts and accessories of motor cycles and motor scooters, except such articles as are also adapted for use as parts and accessories of motor cars	75(2)
296	Motor omnibuses; chasis of motor omnibuses, motor vans and motor lorries	75(3)
297	Parts of mechanically propelled vehicles and accessories, not otherwise specified, excluding rubber tyres and tubes, and such parts and accessories of motor vehicles, included in Item No. 75(3) of the First Schedule to the Indian Tariff Act 1934, as are also adapted for use as parts and accessories of motor cars	75(13)
298	Carriages and carts which are not mechanically propelled, not otherwise specified	75(4)
299	Parts and accessories of carriages and carts which are not mechanically propelled, not otherwise specified, excluding rubber tyres ad tubes and articles specified in Part I of this Schedule	75(4)
300	Cycles (other than motor cycles) imported entire or in sections	75(5)
301	Part and accessories of cycles (other than motor cycles) excluding rubber tyres and tubes but including iron and steel bolts and nuts adapted for use on cycles and also steering tubes screwed	75(5), 75(6), 75(7), 75(7A) and 75(8)
302	X-ray films	77(5)

1	2	3
303	Photographic negatives and printing paper, excluding X-ray films	77(5)
304	Film strips, slides and micro films	77(5), 87
305	Photographic instruments, apparatus and appliances, other than cinema, all sorts not otherwise specified, and parts thereof	77(5)
306	Instruments, apparatus and appliances imported by a passenger as part of his personal baggage and in actual use by him in the exercise of his profession or calling	77(1)
307	Artificial Teeth	77(3)
308	Clocks and watches and parts thereof	78 and 78(1)
309	Talking machines and parts thereof, and records for talking machines	79
310	Musical instruments and parts thereof, all sorts, not otherwise specified	79
311	Percussion caps	80
312	Save where otherwise specified, all articles which are arms or parts of arms within the meaning of the Indian Arms Act, 1878 (excluding springs used for air guns) all tools used for cleaning or putting together the same, all machines for making loading, closing or capping cartridges for arms other than rifled arms and all other sorts of ammunition and military stores and any articles which the Central Government may by Notification in the Official Gazette declare to be ammunition or military stores for the purpose of the Indian Tariff Act, 1934, excluding percussion caps	80
313	Subject to the exemptions, specified in Item No. 80(3) of the First Schedule to the Indian Tariff Act, 1934, Fire arms including guns and air guns, gas and air rifles, gas and air pistols, not otherwise specified, but excluding parts and accessories thereof	80(1)
314	Subject to the exemption specified in Item No. 80(3) of the First Schedule to the Indian Trade Act, 1934 :—	80(2)
	(*a*) Barrels, whether single or double for firearms, including gas and air guns, gas and air rifles, and gas and air pistols, not otherwise specified.	
	(*b*) Main springs and magazine springs for firearms, including gas guns, gas rifles and gas pistols	
	(*c*) Gunstocks and breech blocks	
	(*d*) Revolver cylinders	
	(*e*) Actions (including skelton and waster), breach bolts and their heads, cocking pieces, and locks for muzzle loading arms	
	(*f*) Machines for making loading, or closing cartridges for rifled arms	
	(*g*) Machines for capping cartridges for rifled arms	

1	2	3
315	The following Arms, Ammunition and Military Stores :— (a) Arms forming part of the regular equipment of a commissioned or gazetted officer in Government Service entitled to wear diplomatic, military, naval, Air Force or police uniform. (b) A revolver and an automatic pistol and ammunition for revolver and pistol up to a maximum of 100 rounds per revolver or pistol (i) when accompanying a commissioned officer of the Indian forces, or of the Indian Auxiliary Force or the Indian Territorial Force or a gazetted police officer or (ii) certified by the Commandant of the Corps to which such officer belongs or in the case of an officer not attached to any corps, by the officer commanding the station or district in which such officer is serving or, in the case of a police officer by an Inspector General or Commissioner of Police, to be imported by the Officer for the purpose of his equipment. (c) Swords for presentation as army or voluntary prizes. (d) Arms, Ammunition and military stores imported with the sanction of the Central Government for the use of any portion of the military forces of a State in India being a unit notified in pursuance of the First Schedule to the Indian Extradition Act, 1903. (e) Morris tubes and patent ammunition imported by Officer's commanding Indian Regiments or volunteers corps for the instruction of their men.	80(3)
16	Ornamental Arms of an absolute pattern possessing only an antiquiarian value; masonic and the artical and fancy dress swords, provided they are virtually useless for offensive or defensive purposes; and dahs intended exclusively for domestic, agricultural and industrial purposes	90(4)
317	Catridges filled and empty	81
318	Coral prepared	82
319	Ivory, manufactured, not otherwise specified . . .	82(1)
320	Bangles and beads, not otherwise specified . .	82(2)
321	Paint and varnish brushes	83
322	Toilet brushes	83
323	Brooms	83
324	Brushes, all sorts, excluding paint and varnish brushes, toilet brushes and brooms	83
325	Toys, games, playing cards and requisites for games and sports, bird shot, toy cannons, air guns and air pistols and parts thereof, for the time being excluded in any part of India from the operation of all the prohibitions and directions contained in the Arms Act, 1959, and bows and arrows and parts thereof excluding rubber balls, football bladders, balloons and toys	(84) & 84(1)
26	Buttons, metal	85

1	2	3
327	Smoker's requisites made of aluminium	85(1)
328	Smoker's requisites—pipes and parts thereof	85(1)
329	Smoker's requisites, parts thereof, excluding those made of aluminium, tobacco, matches, and pipes	85(1)
330	Prints, Engravings and Pictures (including photographs and picture post cards), not otherwise specified	86
331	Art, works of, not otherwise specified	86(1)
332	Specimens, Models, and Wall Diagrams illustrative of natural science, and medals and antique coins, imported for instructional purposes	86(3)
333	Specimens, Models and Wall Diagrams illustrative of natural science and medals and antique coins not imported for instructional purposes	86(3)
334	Postage Stamps, whether used or unused	86(4)
335	Brake fluid	87
336	Buttons, other than metal	85
337	Empty gelatine capsules	87
338	Leather, artificial, manufactures of	87
339	Synthetic stones	87
340	Zip fasteners with celluloid teeth	87
	PART V	
1	Pulse	10
2	Wheat	10(1)
3	Wheat flour	11(1)
4	Starch and farina	11(4) and 11(5)
5	Chromosol S.E. Chromaline and other Chrome compounds used for dyeing or tanning (excluding barium, lead and zinc chromates)	13
6	Dyeing and tanning substances, all sorts, not otherwise specified excluding wattle extract and the articles, specified in Serial No. 5 of this part of this Schedule	13 and 13(8)
7	Gums, Resins and Lac, all sorts, not otherwise specified, excluding olibanum and frankincense	13(3)
8	Greases, all sorts not otherwise specified, including petroleum jellies, paraffin wax and microcrystalline wax	15 and 15(9)
9	Cod liver oil	15(4) and 28(22)
10	Fish oil including whale oil, not otherwise specified, excluding cod liver oil	15(4)

1	2	3
11.	Fish oil and whale oil, hardened and hydrogenated	15(5)
12.	Farinaceous and patent foods, canned or bottled, excluding milk foods for infants	1(2) and 19(3)
13.	Essences containing spirit used for the manufacture of beverages	22(4)
14.	Metallic ores, all sorts, except ochres and other pigments ores	22(4)
15.	Asphalt	27(1)
16.	Pich and tar	27(2) and 27(9).
17.	All sorts of mineral oils, not otherwise specified	27(3)
18.	Kerosene; also any mineral oil other than kerosene and motor spirit which has its flashing point below one hundred degrees Fahrenheit's thermometer by Abel's close test	27(4)
19.	Motor spirit	27(6)
20.	Lubricating oil, that is, oil as is not ordinarily used for any purpose other than lubrication, excluding, any mineral oil which has its flashing point below two hundred degrees of Fahrenheit's thermometer by Adbel's close test	27(8)
21.	Chromium sulphate, chromium chloride and other chrome compounds excluding barium chromates and chromium acetate	28 and 28(17).
22.	Chemicals not otherwise specified	28, 28(15), 28(18) and (34).
22-A.	Gas cylinders when imported filled with gas	28, 28(8) and 72(c).
23.	Bleaching paste and bleaching powder	
24.	Coppers, green (ferrous sulphate)	
25.	Sulphur	
26.	Soda ash, including calcined natural soda and manufactured sesquicarbonates	28(4)
27.	Heavy chemicals the following, namely, Magnesium chloride	28(5)
28.	The following chemicals, namely :— (a) Alum (ammonia alum, potash and soda alum) (b) Magnesium sulphate or hydrated magnesium sulphate	28(6)
29.	The following chemicals, namely cadmium sulphide, cobalt oxide, liquid gold for glass making, selenium and uranium oxide	28, 28(7) and 28(7-A).
30.	Potassium bichromate, sodium bichromate and chronic acid	28(8) and 28(17).
31.	The following Chemicals, Drugs and Medicines, namely, acetic, carbolic, citric, hydrochloric, nitric, sulphuric, tartaric and any other acids excluding chromic acid, anhydrous ammonia, napthalene, potassium chlorate, potassium cyanide and other potassium compounds, bicarbonate of soda, borax, sodium cyanide, sodium silicate, arsenic, calcium carbide, glycerine, lead, magnesium, and zinc compounds, not otherwise specified, aloes, asafoetida, cocaine, sarsaparilla and storase	28(8), 28(16), 28(19), 28(20), 28(29) and 28(33).

1	2	3
32.	Anti-plague serum	28(13)
33.	Aluminium powder and paint	30
34.	Paints, colours and painter's materials, all sorts, not otherwise specified, including paints, solutions and composition containing dangerous petroleum within the meaning of the Indian Petroleum Act, 1934, but excluding aluminium powder and paint, and sand papers and glass papers.	30, 30(11), 30(12) and 30(14).
35.	Paints, colours and painter's materials, the following :—	30(2)
	(*a*) Red lead, genuine, dry, genuine moist and reduced moist. (*b*) White lead, genuine dry. (*c*) Zinc white, genuine dry. (*d*) Paints, other sorts, coloured moist.	
36.	Paints, colours and painter's materials, the following namely :—	30(3)
	(*a*) Red lead, reduced dry. (*b*) White lead, genuine moist, and reduced dry or moist. (*c*) Zinc white, genuine moist. (*d*) Zinc white, reduced, dry or moist.	
37.	The following paints, colours and painter's materials namely, borytes, turpentine, turpentine substitute and varnish not containing dangerous petroleum within the meaning of the Indian Petroleum Act, 1934.	30(4)
38.	Gunpowder for cannons, rifles, guns, pistols and sporting purposes	34
39.	Explosives, namely, blasting gunpowder, blasting gelatine, blasting dynamite, blasting roburite, blasting tonite and all other sorts, including detonators and blasting fuze	34(1)
40.	Manures, all sorts, including animal bones and the following chemical manures :—	35 and 35(1)
	Basic slag, nitrate of ammonia, nitrate of soda, muriate of potash, sulphate of ammonia, sulphate of potash kainite salts, carbolime, urea, nitrate of lime, calcium, cynamide, ammonium phosphates, mineral phosphates and mineral super phosphates.	
41.	Rubber tyres and tubes and other manufactures of rubber, not otherwise, specified, including ebonite rods, tubes and sheets but excluding apparel and boots and shoes	39(1), 39(2) 39(3), 77 and 77(2)
42.	Wood and Timber, all sorts, not otherwise specified including all sorts of ornamental wood	40, 40(4), 87 and 40(6).
42-A.	Tea chest and parts and fittings thereof including tea chests containing aluminium but excluding aluminium tea chest linings	40(3) and 40(5)
43.	Wood Pulp	43
43-A.	Pulp (other than wood pulp) from vegetable fibres such as Bamboo Grasses, reeds and agricultural residues including pulp of rags and mixture of such pulps	43(1)

1	2	3
44	White Printing paper, (excluding laid marked paper) which contains mechanical wood pulp amounting to not less than 70 per cent. of the fibre content	44
45	Cigarette paper	44 and 44(1)
45-A	Pasteboard, mill board, card board and straw board, all sorts	44(4)
46	Rubber bands, erasers and stamps and rubber hand rollers for cyclostyling	39(1) and 45(b)
47	Wool, raw and wool tops including wool waste, shoddy wool and woollen rags	46(2) and 49(4)
48	Woollen yarn, not otherwise specified	47(3)
49	Woollen yarn for weaving and knitting wool, excluding hand knitting wool	47(4)
50	Hair and woollen yarn exclusively used for the manufacture of hair belting	47(8)
51	Cordage, rope and twine of vegetable fibre other than jute and cotton, not otherwise specified	50(6)
52	*Apparel containing rubber*	52
53	Silk or artificial silk goods used or required for medical purposes, namely:—Silk or artificial silk ligatures, elastic silk or artificial silk hosiery, elbow pieces, thigh pieces, knee caps, leggings, socks, anklets, stockings, suspensory bandages, silk or artificial silk abdominal belts, silk or artificial silk web catheter tubes and oiled silk or artificial silk	52(1)
54	Delivery hose for trailer pumps	53
55	Hose made of canvas impregnated with rubber	53
56	Rags and other paper-making material, excluding pulp thereof and pulps and wood and other vegetable fibres and the mixture of such pulps	53(1)
57	Boots and shoes containing rubber	54
58	Building and Engineering bricks.	59(1)
59	Covered crucibles for glass-making	59(6)
60	Bort and industrial diamonds	61
61	Diamonds unset and imported uncut, excluding bort and industrial diamonds	61
62	Steel helmets	63(8)
62-A	Radium	70(7)
63	The following articles of builder's hardware; hinges, locks and bolts	70(10) and 70 (11)
64	Deleted.	
65	The following articles of machinery, not otherwise specified in this schedule except when required for the textile industries, tea industry, iron and steel production works, electric supply undertakings and mines and quarries :—	
	(1) Prime-movers boiler, locomotive engines and tenders for the same, portable engines (including fire engines and other machines in which prime-mover is not separable from the operative parts);	72(a)

1	2	3
	(2) Machines and sets of machines to be worked by electric, steam, water, fire or other power, not being manual or animal labour or which before being brought into use required to be fixed with reference to other moving parts;	72(b), 72(15), 72(16), 72(17), 72(18), 72(19), 72(20), 72(21), 72(22) and 72(23).
	(3) Apparatus and appliances, not to be operated by manual or animal labour which are designed for use in an industrial system as parts indispensable for its operation and have been given for that purpose some special shape or quality which would not but be essential for their use for any other purpose;	72(c)
	(4) Control gear (other than electric, self-acting or otherwise and transmission gear (other than electric) designed for use with any of the machinery above specified, including driving chains, but excluding driving ropes not made of cotton and belting;	72(d)
	(5) Component parts as defined in Item No. (3), of the First Schedule to the Indian Tariff Act, 1934, of machinery specified in clauses (1), (2), (3) and (4) above, but excluding those which are covered by Serial No. 68 of this part of this Schedule;	72(3) and 72(15)
	(6) Machines or parts of machines to be worked by manual or animal labour, not otherwise specified, and any machines (except such as are designed to be used exclusively in industrial processes), which require for their operation less than one quarter of one-brake horsepower excluding type-writers and sewing machines and parts thereof.	72(6) and 72(28)
66	Automatic Black-out Control Switches	72(d) and 73(1)
67	(1) Printing and Lithographic material namely, presses, lithographic plates, composing sticks, chases, imposing tables, lithographic stones, stereo-blocks, wood blocks, half-tone blocks, electro-type blocks, process blocks, roller moulds, roller frames and stocks, roller composition, lithographic nap rollers, standing screw and hot presses, perforating machines, gold blocking presses, gallery presses, proof presses, arming presses, copper plate printing presses, rolling presses, ruling machines, ruling pen making machines, lead cutters, rule cutters, slug cutters, type casting machines, type setting and casting machines, paper in rolls with side perforatings to be used after further perforation for type-casting rule bending machines, rule mitreing machines, bronzing machines, stereotyping apparatus, paper folding machines, paging machines, levelling machines but excluding ink and paper and sets of mats when imported as advertising material in connection with exposed films.	(27)
	(2) Component parts as defined in Import Tariff Item No. 72(3) of machinery specified in clause (1) above, excluding those covered by Serial No. 68 of Part V of this Schedule.	72(3)
68	Rubber Blankets (including mackintosh) for printing presses (including cloth printing machines).	72(3)
69-A	Hosiery needles for hosiery machinery and knitting machines whether operated by manual labour or mechanical power.	72(3)

1	2	3
70	All types of lifts and elevators (including passenger and goods) and component parts and accessories thereof. . . .	72(4)
71	Stirrup pumps and Trailer pumps . . .	72(6)
72	Deleted.	
73	Water-lifts, sugar mills, sugar centrifuges, sugarpug-mills, oil presses and parts thereof when constructed so that they can be worked by manual or animal power and pans for boiling sugar-cane juice.	72(7)
74	The following Agricultural implements, namely, winnower threshers, mowing and reaping machines, binding machines elevators, seed and corn-crushers, chaff-cutters, roots-cutters, insilage-cutters, horse and bullock gear, ploughs, cultivators, scarifiers, harrows, cold-crushers, seed drill, hay-teeders, hay presses, potato-diggers, latex spouts, spraying machines, power, blowers white ant exterminating machines, beetpullers, broadcast seeders, corn-pickers, corn shellers, cultipackers, dragscrapers, stalk cutters, huskers and shredders, potato planters, lime sowers, manure spreaders, listers, soil graders, and rake also agricultural tractors, also component parts of these implements, machines or tractors, provided that they can be readily fitted into their proper places in the implements, machines, or tractors for which they are imported, and that they cannot ordinarily be used for purposes unconnected with agriculture	72(8); 72(29), 72(30), and 72(31).
75	The following Dairy and Poultry Farming appliances, namely, cream separators, milking machines, milk sterlizing or pasteurising plant, milk separating and cooling apparatus, churns, butter dryers, butter workers, milk bottle fillers and cappers apparatus specially designed for testing milk and other dairy products and incubators; also complete parts of these appliances provided that they can be readily fitted into their proper places if the appliances for which they are imported and that they cannot ordinarily be used for other than dairy and poultry farming purposes.	72(9) and 72(32)
76	Industrial Sewing Machines (all types) and parts thereof	72(1), 72(11)
	(*a*) Industrial sewing machines and parts thereof which are manually operated or worked by power and require for their operation less than one quarter horse power.	72(15)
	(*b*) Industrial sewing machines and parts thereof which are worked by power and require for their operation one quarter horse power and above. . . .	72(b), 72(1) and 72(15)
	(*c*) Needles for all types of industrial sewing machines. .	72(b), 72(1), 72(15)
77	Air Raid Sirens.	73 and 74
78	Electrical instruments, apparatus and appliances, not otherwise specified in this Schedule (excluding telegraphic and telephonic) and parts thereof, not otherwise specified . .	73
79	Electro-medical apparatus and parts thereof, not otherwise specified including ultra violet and infra-red lamps for medical treatment.	73(9)
80	Deleted.	
81	Deleted.	
82	Tramcars and component parts and accessories thereof, excluding articles specified in Part I of this Schedule	74(1)

(1)	(2)	(3)
83	Deleted.	
84	Deleted.	
85	Deleted.	
86	Conveyances, not otherwise specified, and component parts and accessories thereof excluding articles specified in Part I of this Schedule.	75
87	Aeroplanes, aeroplane parts, aeroplane engines, aeroplane engine parts and rubber tyres and tubes used exclusively for aeroplanes	76
88	All manufactured articles and materials used in aircraft construction, and books drawings, diagrams, illustrations and say other technical publications imported for the purpose of maintenance, repair and overhaul of aircraft, aero-engines and their instruments and equipment	The appropriate Item.
	Provided that nothing falling under this description shall be deemed to fall under any other Serial of this Schedule.	
89	Ships and other vessels for inland and harbour navigations including steamers, launches, boats and barges imported entire or in sections.	76(1)
	Provided that articles of machinery as defined in Item No. 72 or Item No. 72 (3) of the First Schedule to the Indian Tariff Act, 1934, shall, when separately imported, not be deemed to be included hereunder.	
90	Lights ships	76(2)
91	Furniture tackle and apparel, not otherwise described for steam sailing, rowing and other vessels.	76(3)
92	Instruments, apparatus and appliances and parts thereof, including cinematographic and parts thereof, other than electrical but excluding articles otherwise specified in this Schedule.	77
93	Optical, Scientific, Medical including Surgical or Dental Instruments, equipment and appliances and parts thereof not made of rubber.	77(2), 77(4), 77(6) and 77(7)
94	Optical, Scientific, Medical including Surgical or Dental Instruments, equipment and appliances and parts thereof made of rubber.	77(2), 77(4), 77(6) and 77(7)
95	Rubber balls, football bladders, balloons and toys.	84
96	Art, the following works of — (1) Stationery and pictures intended to be put for the public benefit in a public place; and (2) memorial of a public character intended to be put up in a public place including the materials used or to be used in their construction whether worked or not	86(2)
97	Artificial horn manufactured from rennet casein	87
98	Asbestos, raw	87
99	Bort	87
100	Celluloid	87
101	Cellulose Acetate sheet and moulding powders	87
101-A	Cellulose Acetate Butyrate and Cellulose Propinate	87
101-B	Cellulose film	87
101-C	Cellulose film scrap	87
101-D	Cellulose Nitrate sheets	87
101-E	Chloride moulding powder	87
102	Cresol-form ldehyde moulding powders	87

(1)	(2)	(3)
103	Curled rope hair	87
104	Diamonds industrial natural and synthetic, all forms, including diamond grit and powder	61, 72 (3)and 87
105	Fibreboards, hardboards, insulating boards, excluding plywood and vulcanised fibre sheets	61, 72 (3), 87, 40(4) and 40(7)
106	Gas black, thermatonic black, acetylene black and carbon black	87
107	Glass substitutes	87
108	Glucose powder, Dextrose (excluding glucose powder, Dextrose packed in small containers of 1 lb. or less) and Glucose all sorts	21(3)
109	Micarta sheets	87
110	Nickel catalysts	87
111	Phenol-formaldehyde moulding powders	82(3)
112	Phenol-formaldehyde resinous sheets, tubes, rods and other materials	87
113	Acrylic Plastic moulding powder, sheets, rods and tubes	87
113-A	P.V.C. Sheets, *i.e.*, Polyvinyl Chloride, plastic sheets, unsupported	82(4)
113-B	Polydichlorstyrene	87
113-C	Polystyrene	87
113-D	Polyvinyl Acetate	87
113-E	Polyvinyl Butyral	87
113-F	Polyvinylidence Chloride	87
113-G	Polyvinyl Formal	87
113-H	Polyvinyl Moulding Powders	87
113-I	P.V.C. Compositions	87
114	Pyrotechnic aluminium powder	87
115	Stero flongs	87
116	Synthetic resins all sorts, not otherwise specified	87
117	Textile printing dyes	87
118	Urea-formaldehyde moulding powders	87
119	Vulcanised fibre in sheets, and rods and tubes.	87
120	Deleted	
121	Window glass channels	87
122	All articles, not otherwise specified in this Schedule, except the following namely :—	The appropriate item.
	(*a*) Deleted	
	(*b*) Paper money	44(6)
	(*c*) Silver bullion and silver sheets and plates which have undergone no process of manufacture subsequent to rolling	61(2)
	(*d*) Gold bullion and gold sheets and plates which have undergone no process of manufacture subsequent to rolling	61(3)
	(*e*) Current coin of the Government of India	62
	(*f*) Silver coin, not otherwise specified	62(1)
	(*g*) Gold coin	62(2)

(1)	(2)	(3)
	PART VI	
	All machine tools of the following types including any standard equipment or ancillary machinery usually supplied therewith :—	
1	Milling, diesinking, engraving, keyseating, broaching, oil-grooving, splinning, profile slotting and marking.	The appropriate item.
2	Metal cutting cold saws, hacksaw machines filing and sawing bandsaw machines, cutting off (tool and abrasive).	
3	Testing machine for mechanical workshop and engineering laboratory use.	The appropriate item.
4	Grinding (excluding small electrical bench and portable grinders up to 10" wheels and pneumatic grinders) honing, polishing and lapping.	
5	Drilling (other than portable electric or portable pneumatic)	
6	Capstan and turret lathes.	
7	Lathes, general.	
8	Furnaces, electrical, coke, coal, gas or oil fired excluding cover, muffle rings and stan for tilting furnaces.	
9	Forging, power hammers, drops tamps and riveting other than portable handriveters.	
10	Wire drawing and forming, rolling mills (other than jewellers), bar reeling and bar turning.	
11	Thread forming , cutting, rolling or milling.	
12	Moudling machines and other machinery for foundry use, diecasting machines and magnetic separators.	
13	Hydraulic presses, and other machinery for the production of plastic blocks and plastic mouldings (such as bakelite and other cellulose products).	
14	Sheet Metal working machinery (other than hand power types) including shares, punches, presses, benders, brakes, guillotines, plates straighteners and rollers.	
15	Automatic bar and chucking machines, single and multiple spindle.	
16	Gear gutting.	
17	Shaping, slotting and planing.	
18	Vertical boring and turning mills, horizontal boring and jig boring.	
19	Special and standard machines, particularly used in railway workshops, but not otherwise specified.	
20	Oxygen cutting, oxy-acetylene generating plant for welding and cutting and electric welding.	
21	Wood-working machinery, other than hand worked or small homecraft types.	
22	Lathe chucks, magnetic chucks (electric and non-electric), drill chucks rotary tables, dividing heads, tool post grinders, milling and indexing attachment and machine vices.	

SCHEDULE II

(*See* clause 3)

OFFICERS COMPETENT TO GRANT IMPORT LICENCES

1	The Chief Controller of Imports and Exports.	For any goods covered by parts I to VI of Schedule I
2	A Joint Chief Controller of Imports and Exports.	
3	A Deputy Chief Controller of Imports and Exports	
4	A Controller of Imports and Exports.	
5	An Assistant Controller/Section Officer in the Imports and Exports Trade Control Organisations.	
6	The Iron and Steel Controller.	For Iron and Steel and Ferro-Alloy licensable by the Iron and Steel Controller in accordance with the policy announced by him from time to time.
7	A Deputy Iron and Steel Controller.	
8	An Assistant Iron and Steel Controller.	
8-A	Deputy Assistant Iron and Steel Controller.	
8-B	Research Officer in the Office of the Iron and Steel Controller.	
8-C	Assistant Accounts Officer in the Office of the Iron and Steel Controller.	
9	Development Officer (Tools).	For machine tools falling under Part VI of Schedule I.
10	Deputy Development Officer (Tools licensing).	
11	Assistant Development Officer (Tools).	
12	Any Officer authorised by the Central Government for any goods described in Schedule I.	

SCHEDULE III

APPLICATION FEES

The following fees shall be leviable in respect of the application for an import licence.

Serial No.	Particulars	Amount of Fees.
(1)	(2)	(3)
	Where the value of the goods specified in the application does not exceed Rs. 50,000/-	Rs. 50/-
	Where the value of the goods specified in the application exceeds Rs. 50,000/-	Rupee one for every one thousand or part thereof, subject to a maximum of Rs. 5,000/-.

Provided that:—

(1) The amount of fees payable shall be Rs. 50 irrespective of the value of goods specified in the application, in respect of an application for import licence,—

(i) by a small scale actual user for the import of raw materials, components and spares; or

(ii) by an actual user in respect of any unit in the Kandla Free Trade Zone; or

(iii) by a registered exporter, under the import policy for registered exporters; and

(2) The amount of fees payable shall be Rs. 5/- irrespective of the value of the goods specified in the application, in respect of,—

(i) application for the grant of subsidiary licence, or

(ii) application for the grant of duplicate licence, or

(iii) appeal to the C.C.I.&E. against any decision by a licensing authority on an application of review;

Provided further that no fees shall be payable in respect of,—

(aa) any application for an import licence for any goods (other than a vehicle) if the import of the goods is required by an individual for his own personal use not connected with trade or manufacture; or

(bb) any application for an import licence from a newspaper establishment for newsprint for a value covering a quantity of not more than 40 tons.

For the purpose of collection of fees the following instructions are for general information:—

(i) The prescribed fee shall be deposited in cash, at any Government Treasury or office of the State Bank of India or the Reserve Bank of India, transacting the business of the Central Government, for credit to the Central Government under a separate head 'XXXII Miscellaneous, Social and Developmental Organisations.' The treasury or bank receipt must show the name of the department *viz.*, 'Import and Export Trade Control Organisation', and particulars of the application for the grant of import licence, namely, description of goods for which the licence is applied for, with their value, and the licensing period, in the column: 'full particulars' in the Challan form T.R. 6, and must be attached to the application before submitting the same to the proper authority, and the application also must contain details of the treasury receipt under which the requisite fee has been deposited.

(ii) No application will be entertained which is not accompanied by such proof of payment of the fee prescribed under this order.

NOTE.—Applications for refund of Import licence application fees will be dealt with in Port Offices, within whose jurisdiction the fee was paid. The territorial jurisdiction of the various offices in the Import organization has been set out in the Import Trade Control Hand Book of Rules and—Procedure, 1967. Claims admitted for refund will be prepared in Form T. R. 41 with necessary authorisation by the respective Port Officers and sent to the firm concerned to be presented after being duly signed, at the Bank/Treasury where the fee had been originally paid in.

SCHEDULE IV

(*See* Clause 12)

1. Notification No. 23-ITC/43, dated the 1st July 1943, issued by the late Department of Commerce, as amended.

2. Notification No. 2-ITC/48, dated 6th March 1948, issued by the late Ministry of Commerce.

3. Notification No. 4-ITC/48, dated 1st May, 1948, issued by the late Ministry of Commerce.

4. Notification No. 51-ITC/50, dated 15th November, 1950 issued by the late Ministry of Commerce.

5. Order No. 4/55, dated 30th June, 1955 issued by the Ministry of Commerce and Industry.

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE
IMPORT TRADE CONTROL
ORDER No. 10/65

New Delhi, the 1st December 1965

In exercise of the powers conferred by Section 6 of the Imports and Exports (Control) Act, 1947 (18 of 1947) and in supersession of the late Ministry of Commerce and Industry Order No. 11/60 dated the 1st August, 1960 the Central Government hereby authorises the Joint Chief Controllers of Imports and Exports, the Deputy Chief Controllers of Imports and Exports, the Customs Collectors and the Officers of Customs under the Customs Act, 1962 (52 of 1962), the Iron and Steel Controller, the Deputy Iron and Steel Controller and the Superintendents of Police in the Economic Offences Wing of the Central Bureau of Investigation, to make complaints in writing in Courts in respect of any offence punishable under Section 5 of the said Act.

Sd./- P. SABANAYAGAM,
Chief Controller of Imports & Exports.

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE
IMPORT TRADE CONTROL
NOTIFICATION

New Delhi, the 10th November, 1966

No. 12/66.—In exercise of the powers conferred by sub-clause (2) of clause 10 of the Imports (Control) Order, 1955, the Central Government hereby constitutes the following authorities for the purpose of hearing appeals against the action taken under clause 8 or 8A of the said Order, namely:—

(i) where the action is taken by a Joint Chief Controller of Imports and Exports or by a Deputy Chief Controller of Imports

and Exports, the Chief Controller of Imports and Exports, New Delhi;

(ii) where the action is taken by an authority other than any authority referred to in item (i), a committee consisting of two Joint Secretaries to the Government of India in the Ministry of Commerce, New Delhi.

Sd./- A. C. BANERJEE, Joint Secy.

APPENDIX 3

Vide para 8(2) of Chapter II

APPLICATION FORMS

Form (A)

APPLICATION FORM FOR ESTABLISHED IMPORTERS

1. Name of applicant . . . .
   Full Postal Address :—
   (*i*) House/Shop No. . . .
   (*ii*) Name of Street/Road . .
   (*iii*) Name of Locality . . .
   (*iv*) Name of State . . .
   Telegraphic Address .

†2. Registration No. allotted to Income-tax Verification Certificate for Exemption therefrom . . . .

3. Number and date of Treasury Receipt showing payment of the requisite fees under the late Commerce and Industry Ministry's Order No. 17/55, dated the 7th December, 1955 as amended from time to time (Treasury Receipt to be attached).

4. Licensing period in respect of which application is made . . . .

5. Particulars of goods to be furnished as shown below :—

   (i) Description : Full details should be given here or appended to application. (It is not sufficient to say Chemicals, Drugs and Medicines, Hardware, etc., list of specific Chemicals, Drugs & Medicines, etc. desired to be imported should be given). In case of component or spare parts of machinery, type-writers, sewing machines, radio, etc., names of parts desired to be imported should be specified . . .

   (ii) Quantity : Net weight, Number or any other unit as the case may be.

   (iii) Classification under I.T.C. Schedule, Part & S. No. (This should particularly be completed position being verified in cases of doubt after reference to the I.T.C. licensing authority concerned).

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*Application for a licence for import of goods (other than those falling under the Capital Goods licensing procedure) *vide* Government of India, late Ministry of Commerce and Industry Order No. 17/55, dated 7th December, 1955 as amended from time to time.

†Applicants are required to obtain Income-tax Verification Certificates or Exemption Certificates from the Income-tax Officer of the Circle, Ward or District where the applicant is assessed or assessable. These certificates can also be issued at Bombay and Calcutta by the Headquarters, Inspecting Assistant Commissioner of Income-tax and at Madras and Delhi by the Inspecting Assistant Commissioner of Income-tax. These certificates are further required to be registered with the import trade control licensing authority and such registration Nos. should be quoted on the application for licensing. Further procedural details please refer to the late Ministry of Commerce and Industry Public Notice No. 32-ITC(PN)/55, dated 29-6-1955.

APPENDIX 3—*contd.*

(iv) Indian Customs Traiff No.

(v) Value c.i.f. in Rupees

(vi) Country of shipment

6. Where shipment is to be effected from a country different from the country in which the goods originated, full statement of reasons for the same should be given.

7. If licence is claimed on the basis of licence issued in the preceding period and/or Quota Certificate, give particulars of licence or Quota Certificate as below:—

(1) Licence/Quota Certificate No. and date.

(2) Description of goods

(3) Country (s).

(4) C.I.F. value of licence/value in basic year imports in Quota Certificate.

(5) In case the quota certificates were issued after 1-4-1961, whether the original imports against which quota certificate is issued were made for use in the applcants' own factory/ establishment or for stock and sale.

8. General information to be furnished:—

(*a*) Date of establishment of business in India.

(*b*) Nature of the concern whether Public or Private Ltd. or Partnership or Proprietary or Hindu Undivided Family concern.

(*c*) Names of Directors, Partners, Proprietor or Karta as the case may be.

(*d*) Nature of main business of the applicant (Line or Lines in which the applicant is engaged in business to be indicated by "major heads" *e.g.*, an applicant engaged in the manufacture of, or dealing in, Cycles, Radios, etc., should indicate 'Cycles, Radios, etc.' Clear indication as to whether the applicant is a Manufacturer, Wholesaler, Retailer, Sole Agent, Indentor or Commission Agent or any other category should be given.

(*e*) Details of branches or associated companies (Names and Location) :—

(i) In India.

(ii) Abroad.

(*f*) Has any application already been made by the applicant for goods falling under the same serial number or sub-item of serial number for the same period from any country? If so, give details.

APPENDIX 3—*contd.*

(*g*) Have any branches or associated companies mentioned in (*e*) or any of the gentlemen named in (*c*) applied for an import licence for import of goods falling under the same serial number or sub-item or serial number for the same period ? If so, give details and an affidavit in the form prescribed at Appendix 7 to the book. If the Head Office has submitted one consolidated application for one item, please make a declaration that the Branches have not and will not make application for the same item during the same period to any other licensing authority.

(*h*) Whether the constitution/name of the firm has undergone any change or whether the film has succeeded to any import quota rights of any other firm as a result of division of quota rights of the latter. If so, mention the changes in the constitution/name of the concern or its predecessor-in-interest, since their inception or 1st April, 1951, whichever is later in the statement below :—

(*i*) The Custom House where the import licence, if granted, will be registered.

Full details the enclosure attached with the application (Every copy of the document should be marked as a true copy and signed beneath by the applicant.)

S. No.	Nature of the document
1	
2	

I/We hereby declare that the above statements are true and correct to the best of my/our knowledge and belief. I/We fully understand that any licence granted to me/us on the basis of the statement furnished is liable to cancellation, in addition to any other penalty that the Government may impose having regard to the circumstances of the case, if it is found that any of the statements of facts therein are incorrect or false.

Certified that we,.....with Head Office at..... .....and branches at.....have for purposes of import of.....from ..... selected .....as the common basic year and the quota certificate on which the licence is claimed, is based on the previous import in this common basic year.

Certified that we possess/do not possess two quota certificates for Serial No./Sub-Serial No. (to be specified) and declare that we have submitted no other application for obtaining quota licence.

Signature.....
Name in Block letters. .....
Designation .....
Residential Address.....

Date.....

(1) Applicants are advised to read the censing instructions for the current period carefully before filling the Application Form for import Licence.

(2) Information required against the various items in the form should be given legibly and completed in all details to avoid correspondence and delay in the disposal of applications. The licensing authorities have discretion to reject an application if the same is not complete in all respect.

APPENDIX 3—*contd.*

3) A separate application should be made for each article under each Part and Serial number of the I.T.C. Schedule and not one application for two or more items falling under different Parts and Serial Numbers of the Schedule.

(4) Where an application is made for a licence or goods required against an order from the Director General of Supplies and Disposals or from Government Railways, the words 'ESTABLISHED IMPORTERS' at the head of the form should be replaced by the words D.G. Supplies and Disposals 'CONTRACTS' or 'RAILWAYS CONTRACTS' (as the case may be).

(5) Documentary evidence as asked for should be sent along with the application.

(6) Any special reason in support of the application may, if necessary, be explained in a covering letter attached of the application.

(7) Applica ions should be signed by the Proprietor, Par ner or ManagingDirector of the firm or by any person duly authorised to sign any legal declarations on behalf of the firm. The position held by the person signing the application should be clearly stated.

(8) Any applicant supplying false or incorrect information may be liable to have his Licence cancelled and in addition may be debarred from the grant of any impor licence in future.

FORM (B)

FORM OF APPLICATION FOR IMPORT OF GOODS OTHER THAN THOSE FALLING UNDER THE C.G. LICENSING PROCEDURE) BY ACTUAL USERS WHO ARE NOT BORNE ON THE BOOKS OF THE DIRECTORATE GENERAL OF TECHNICAL DEVELOPMENT.

PART I

(To be filled in by the applicant for use in the Licensing Office).

A. Particulars of applicant

1. Name of the applicant .
2. Full Postal Address :—
   (*i*) House/Shop No. . . . .
   (*ii*) Name of Street/Road . . .
   (*iii*) Name of locality and city . .
   (*iv*) Name of State . . . .
3. Telegraphic Address . . .
4. Address of location of factory . .

B. Particulars of application :

1. Registration No. allotted to Income-tax Verification Certificate or Exemption therefrom . . . .
2. Treasury Receipt No. and date (Treasury Receipt to be attached in original)
3. Licensing period in respect of which application is made . . . .
4. Where shipment is to be effected from a country different from the country in which the goods originated, full statement of reasons for the same should be given
5. Is a letter of authority desired? If so name of the firm in whose favour it is desired.

APPENDIX 3—*contd.*

C. General Information to be furnished:

1. Date of Establishment of business in India .....

2. Nature of the concern, whether Public Company or Private Company, Partnership or Hindu undivided family concern . . . . . .

3. Names of Directors, Partners, Proprietor or Karta as the case may be .

4. Details of branches or associated companies (Name and location) :—

   (*i*) In India . . . . . .

   (*ii*) Abroad . . . . . .

5. Has any appliction been already made by the applicant for goods falling under the same S. No. or sub-item of Serial No. for the same period from any country in any category ? If so, give details . . . . . .

6. Have any branches or associate companies mentioned in (4) or any of the gentlemen named in (3) applied for an import licence for import of goods falling under the same serial number or sub-item of serial number for the same period ? . . . . .

7. Is any branch/associate concern of applicant holding an Established Importer quota for particular item/items covered by this application ? If so, details of quota certificates/Established Importers licences may be given .

8. The Customs House where the import licence, if granted, will be registered .

9. Full details of the enclosures attached with the application. (Every copy of the document should be marked as a true copy and signed beneath by the applicant) .

PART II

(To be filled in by the applicant for use by the sponsoring authority)

1. Name of the Industry and the purpose for which the raw materials/components are required . . . . .

2. Description of goods manufactured .

3. Production capacity . . . .

4. Actual production in the preceding two years . . . . . .

5. Estimated production in ensuing year

APPENDIX 3—*contd.*

6. Capital investment :

(*i*) Machinery and equipment (Details of machinery to be attached) . .

(*ii*) Land and buildings or rent of premises . . . . .

7. Registration No. allotted by the State Director of Industries . . .

8. Particulars of raw materials/components and spare parts to be imported :—

Item and ITC S. No.	Quantity/Number	Value (c.i.f.)

9. Particulars of licences issued and imports effected during the last three periods :—

Licensing period	No. and date and value of licence	Value (c.i.f.) of goods imported	Description of goods

10. Actual sales of the manufactured products during the preceding year .

11. Value of exports, if any, of the manufactured products, during the preceding year . . . . . .

12. Stocks of raw material/components/spares applied for, on the date of the commencement of the period *i.e.*, on 1st April :—

(*i*) Imported . . . . . .

(*ii*) Alternate sources . . . .

APPENDIX 3—*contd.*

13. Expected arrivals of the goods applied for on the date of the commencement of the period against licences in hand

14. Period for which stock and expected arrivals are to last . . .

15. Consumption of the imported material applied for during the 12 months:

Item	Quantity/Number	Value

(1) I/We hereby declare that if this licence is granted, the goods will be utilised only for consumption as raw materials/components or accessories in our factory and that no portion thereof will be sold to or permitted to be used by any other party.

2) I/We hereby declare, that the above statements are true and correct to the best of my/our knowledge and belief. I/We fully understand that any licence granted to me/us on the basis of the statement furnished is liable to cancellation, in addition to any other penalty that the Government may impose or any other action that may be taken, having regard to the circumstances of the case if it is found that any of the statements of facts therein are incorrect or false.

Date:

Signature .....

Name in Block Letters.....

Designation .....

Residential Address.....

PART III

(To be filled in by the sponsoring authority in duplicate).

1. Particulars of goods recommended:

Item & ITC Serial No.	Requirements in Quantity/ Number as per installed capacity	Requirements in value (c.i.f.) as per installed capacity	Quantity/ Number recommended for import	Value (c.i.f.) recommended for import	End-use
(1)	(2)	(3)	(4)	(5)	(6)

APPENDIX 3—*contd.*

(*a*) Whether the applicant is a new or existing unit . . . . . .

If new unit, whether the industry is included in the List of banned Industries . . . . .

3. (*a*) Whether the items recommended are licensable in consultation with DGTD/DC (SSI) or any other technical authority . . .

(*b*) If so, whether th clearance from the concerned technical authority has been obtained. (The No. and date of the reference of the technical authority may be given) .

*4. In the case of items available indigenously whether the applicant has produced evidence to show that indigenous manufacturer(s) are unable to supply . . . . .

5. In the case of items which are being imported by STC whether the STC have expressed their inability to supply the material (The No. and date of their letter may be quoted).

Signature of sponsoring authority.

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*This column should be filled in only wherever necessary in terms of the import policy in force.

NOTES: —

(1) Applicants are advised to read the licensing instructions for the current period carefully before filling up the Application form for Import Licence.

(2) Information required against the various items in the form should be given legibly and completed in all details to avoid correspondence and delay in the disposal of applications. The licensing authority have discretion to reject application if the application is not complete in all respects.

REGIONAL AREAS FOR PURPOSES OF ACTUAL USERS' LICENCES

AREA 'A'

(Applications to be made to the Joint Chief Controller of Imports and Exports Calcutta), State where factory is located.

Bihar.
Orissa.
West Bengal.
Tripura.
Andaman and Nicobar Islands.

AREA 'B'

(Applications to be made to the Joint Chief Controller of Imports and Exports Bombay). State where factory is located.
Maharashtra and the State of Gujarat, excluding Kutch and those Districts of Bombay State which were formerly known as Saurashtra.
Madhya Pradesh.

APPENDIX 3—*contd.*

AREA 'C'

(Applications to be made to the Joint Chief Controller of Imports and Exports Madras). State where factory is located.
Madras.

Andhra Pradesh excluding the districts of Godawari East and West, Guntur Krishna, Visakhapatnam and Srikakulam.

AREA 'D'

(Applications to be made to the Deputy Chief Controller of Imports and Exports. Ernakulam). State where factory is located.
Kerala State, Laccadive, Minicoy and Amindivi Islands.

AREA 'E'

(Applications to be made to the Joint Chief Controller of Imports, Central Licensing Area, Delhi)—
Delhi.
Himachal Pradesh.
Punjab.
Rajasthan.
Haryana

AREA 'F'

Applications to be made to the Controller of Imports and Exports Rajkot)—
Those Districts of Gujarat State which were formerly known as 'Saurashtra'.

AREA 'G'

Applications to be made to the Assistant Controller of Imports and Exports, New Kandla)—
Kutch of Gujarat State and New Kandla including Kandla Free Trade Zone.

AREA 'H'

(Applications to be made to the Controller of Inports and Exports, Visakhapatnam)—

Andhra Pradesh Districts of Godwari East and West, Guntur, Krishna, Visakhapatnam and Srikakulam).

AREA 'I'

(Applications to be made to the Controller of Imports and Exports, Pondicherry)—
Former French Establishments in India.

AREA 'J'

Applications to be made to Asstt. Controller of Imports and Exports, Shillong)—
Assam.
Manipur.
N.E.F.A.
Nagaland.

AREA 'K'

(Applications to be made to the Controller of Imports and Exports, Bangalore)—
Mysore.

AREA 'L'

(Applications to be made to the Deputy Chief Controller of Imports and Exports Panjim, Goa)—

Goa, Daman and Diu, Dadra and Nagar Haveli.

APPENDIX 3—*contd.*

AREA 'M'

(Applications to be made to the Controller of Imports and Exports, Srinagar)—
Jammu and Kashmir.

AREA 'N'

(Applications to be made to the Deputy Chief Controller of Imports and Exports, Kanpur)—
Uttar Pradesh.

FORM (C)

Licensing Period.....
Code No.....

SPECIAL FORM OF APPLICATION FOR IMPORT OF RAW-MATERIAL, COMPONENTS AND SPARE PARTS FOR CERTAIN SPECIFIED INDUSTRIES AS WELL AS OTHER INDUSTRIAL UNITS BORNE ON THE LIST OF THE DIRECTORATE GENERAL OF TECHNICAL DEVELOPMENT.

(This application should be submitted to the Chief Controller of Imports and Exports through the Directorate General of Technical Development. Only two copies should be submitted of which one will be retained by the Director General of Technical Development and the other passed on to the Chief Controller of Imports and Exports).

Application for a licence for import of goods (other than those falling under the Capital Goods Licensing Procedure) *vide* Government of India, late Ministry of Commerce and Industry Order No. 17/55, dated 7th December, 1955.

A. Particulars of Applicant

1. Name of the applicant . .
2. Full Postal Address :—
   (i) House/Shop No. . .
   (ii) Name of Street/Road .
   (iii) Name of Locality . .
   (iv) Name of State . .
3. Telegraphic Address . .
4. Address of location of Factory

B. Particulars regarding Industrial Unit

1. (*a*) Name of the Industry . .

(*b*) Name of product and the exact purpose for which the raw-material is required (preferably the function served by the raw-material in the manufacture of the product should be explained) . . .

2. Description of goods manufactured
3. Production capacity separately for each store for which different raw materials are desired to be imported . . . . . .

APPENDIX 3—*contd.*

4. (i) Actual production in the last calendar year .

NOTE : If there was stoppage of production for any period, indicate the duration of the period and the reasons therefor.

(*ii*) In the case of undertakings utilizing non-ferrous metals as raw-materials, indicate portion of the actual production mentioned against (*i*) above if any, achieved through assistance of raw materials/foreign exchange received from sources other than D.G.T.D.

5. Estimated production in the next calendar year

6. In the case of industrial undertakings intending to go into production for the first time or in the case of an existing industrial undertaking intending to go into substantial expansion of the production of existing article of manufacture, indicate :

(*i*) value of (*a*) Imported plant and machinery required.

(*b*) Indigenous plant and machinery required.¶

(*ii*) Value of letter of credit, if any opened for the import of plant and machinery and the date thereof .

(*iii*) Value of orders placed if any, for the purchase of indigenous plant and machinery . .

(*iv*) Expected date of commencement of production/expansion of production of an existing article of manufacture . . . . .

7. Factory No. allotted by the Directorate General of Technical Development . . . . . .

C. Particular of applications

§1. Registration No. allotted to Income-tax verification Certificate or exemption therefrom . . . . .

§Applicants are required to obtain Income-tax Verification Certificates or Exemption Certificates from the Income-tax Officer of the Circle, Ward or District where the applicant is assessed or assessable. These certificates can also be issued at Bombay and Calcutta by the Headquarters Inspecting Assistant Commissioner of Income -tax and at Madras and Delhi by the Inspecting Assistant Commissioner of Income-tax. These certificates are further required to be registered with the import trade control licensing authority and such registration Nos. should be quoted on the application of licences. For further procedural details please refer to the late Ministry of Commerce and Industry Public Notice No. 32-ITC (PN)/55, dated 29-5-55.

APPENDIX 3—*contd.*

2. Treasury Receipt No. and date (Treasury Receipt to be attached).

3. Licensing period in respect of which application is made . . . (To be furnished in tabular form enclosed

4. Particulars of raw-materials to be imported . . . . . .

5. Particulars of licences issued and imports effected during the last 12 months . . . . . .

6. Where shipment is to be effected from a country different from the country in which goods originated, full statement of the reasons for the same should be given . . . .

7. Is a Letter of Authority desired ? If so, name of the Firm in whose favour it is desired . . . . .

D. Spare-parts :—

CIF value of the spare-parts to be imported (list of spare parts indicating the quantities required to be attached) . . . . . .

E. General Information to be furnished

1. Date of establishment of business in India . .

2. Nature of the concern whether Public or Private Ltd., Partnership or Proprietary or Hindu undivided family concern . . . . . .

3. Name of Director's Partners, Proprietor or Karta as the case may be.

4. Details of branches or associated companies (Names and location) :

(*i*) in India . . . . . .

(*ii*) abroad] . . . . .

5. Has any application been already made by the applicant for goods falling under the same serial number or sub-item of serial number for the same period from any country in any category ? If so, give details .

APPENDIX 3—*contd.*

6. Have any branches or associated companies mentioned in (4) or any of the gentlemen named in (3) applied for an import licence for im port of goods falling under the same serial number or sub-item of serial number for the same period? If so, give details. . . . . .

7. Is any Branch/Associate concern of applicant holding a quota certificate E.I. licence for particular item/items covered by this application ? If so, details of such quota certificates/Established Importer Licence may be given. . . . . .

8. Please state whether your industrial undertaking is registered or licensed under the Industries (Development and Regulation) Act, 1951. If so, quote the number and date of Registration certificate or the licence issue by late Ministry o f Commerce and Industry and also indicate the name of Scheduled Industry .

9. The Custom House where the import licence, if granted will be registered.

10. Full details of:the enclosures attached with the application (every copy of the document should be marked as a true copy and signed beneath by the applicant).

11. Are you a member of the Indian Standards Institution? . .

(1) I/We hereby declare that the goods for the import of which the application has been made are not meant for use in the manufacture of new articles for which a licence has not been obtained under Industries (Development and Regulations) Act, 1951.

(2) I/We hereby declare that if this licence is granted the goods will be utilised only for consumption as raw materials or accessories in our factory and that no portion thereof, will be sold to or permitted to be used by any other party.

(3) I/we hereby declare that the above statements are true and correct to the best of my/our knowledge and belief. I/We fully understand that the licence granted to me/us the basis of the statements furnished is liable to cancellation, in addtion to any other penalty that the Government may impose having regard to the circumstances of the case if it is found that any of the statements or facts therein are incorrect or false.

Date.....

Signature.....

Name in Block Letters.....

Designation.....

Residential Address.....

.....

APPENDIX 3—*contd.*

NOTE

(1) Applicants are advised to read the licensing instructions for the current period carefully before filling up the application Form for import licence.

(2) The information required against the various items in the form should be given legibly and completed in all details to avoid correspondence and delay in the disposal of applications. The licensing authorities have discretion to reject an application if the application is not complete in all respects.

(3) Documentary evidence if asked for should be sent along with the application.

(4) Any special reasons in support of the application, may, if necessay, be explained in a covering letter attached to the application.

(5) Application should be signed by the Proprietor, Partner or Managing Director of the firm or by any person duly authorised to sign any legal declaration on behalf of the firm. The position held by the persons signing the application should be clearly stated.

(6) Any applicant supplying false or incorrect information may be liable to have his licence cancelled and in addition may be debarred from the grant of any import licence in future.

Serial No.	Full description of the raw materials should be given	I.T.C. No. and Part.	Quantity (Weight /No./or other appropriate accounting unit)	Value (c.i.f. in Rs.....(*Proforma*) invoice or other evidence from suppliers showing the correct c.i.f. value of goods to be produced.	Stocks (quantity) held by the applicant on the opening date of the import licensing policy period in which the import application is being made whether in his own godown, lying with the banks under the Produce Loans account or any where else.	Expected arrivals (quantity) on the opening date of the import licensing policy period in which the application is being made, against the licences in hand (the information should include material to be received which might have been either in transit or ordered or yet to be ordered against the licences in hand).	Quantity consumed during the last three calendar years (information to be furnished for each year separately).	Whether any application or request for enhancement of the quantity of the same material applied for in the previous period is pending with Directorate General of Technical Development or C.C.I., and if so, the details of the same.	Country of shipment	REMARKS
1	2	3	4	5	6	7	8	9	10	11

Date.....

Signature.....

Name in Block Letter .....

Designation.....

Residential Address.....

APPENDIX 3—*contd.*

Form (D)

APPLICATION FORM FOR NEW COMERS

Deleted

FORM 'E'

Code Number.....
(In the case of industrial undertakings borne on the list of D.G.T.D.).

Form of application for import of capital Goods and Heavy Electrical Plant.

The application should be sent in duplicate to:—

1. Joint Chief Controller of Imports & Exports (Capital Goods) Bombay. — For all Textile Machinery other than Jute and Hemp machinery.

2. Joint Chief Controller of Imports & Exports (Capital Goods) Calcutta. — For all Jute and Hemp Textile machinery and machinery for coal mining and tea industry.

3. Chief Controller of Imports & Exports (Capital Goods) New Dehi. (Applications from units borne on the books of the Directorate General of Technical Development should be sent through the D.G.T.D. The applications from small scale industries should be sent through the sponsoring authority concerned and the Development Commissioner, Small Scale Industries, New Delhi). — For other Capital Goods.

4. Chief Controller of Imports and Exports (H.E.P.) New Dehi. (The applications should be sent through the C.W.&P.C. (Power Wing) Government of India, Bikaner House, Shahjahan Road, New Delhi). — For Heavy Electrical Plant.

1. Particulars of the applicant
   (a) Name
   (b) Full postal addres
      (i) House/Shop No.
      (ii) Name of Street/Road.
      (iii) Name of Locality.
      (iv) Name of State.
   (c) Telegraphic address.

2. Names of Directors or proprietors or partners of the concern for which the goods are required.

3. (i) Name and location of the industrial undertaking for which capital goods are required.
   (ii) Place where the goods are to be installde/used.

4. Registration Number allotted to Income Tax Verification Certificate or exemption therefrom by the licensing authorities.

APPENDIX 3—*contd.*

Details of Treasury Challan or bank certificate under which the requisite application fee prescribed under the late Commerce & Industry Ministry's Order No. 17/55 dated 7th December, 1955 as amended from time to time has been deposited (Treasury Receipt to be attached).

6. Detailed description of goods. (Two statements, duly attested, one for Capital Goods other than machine tools and the other for machine-tools, giving the following particulars should be furnished) :—

(*i*) Serial No.

(*ii*) Description of Capital Goods/ Machine Tools with full specifications. As far as possible manufacturers' illustrated descriptive pamphlets giving detailed specifications should be furnished.

(*iii*) Quantities.

(*iv*) Manufacturer's name and address.

(*v*) Supplier's name and address.

(*vi*) Country/Countries of origin (in the order of preference), and shipment, respectively.

(*vii*) Manner of financing the imports.

(*viii*) CIF value of goods in rupees. (Satisfactory documentary evidence from foreign suppliers *e.g.* the proforma invoice, etc. in support of the value declared should be submined)

(*ix*) (*a*) For machine goods—Code Number as appearing in the code book. "Classification machine-tools types".

(*b*) For other capital goods—Part and serial No. of the Import Trade Control Schedule.

Purpose for which goods are required:—

(*a*) Replacement of existing machinery and/or maintenance or existing plant without involving substantial expansion of capacity ; if so, when was the plant installed or when was the machinery in question last repaired ?

(*b*) Additions in the nature of supplement to the existing plant for the purpose of rationalisation/modernisation or for improvement in the quality of the products without involving substantial expansion; if so:—

(*i*) What is the capacity of the existing plant and what will be the capacity after these additions ?

APPENDIX 3—*contd.*

(*ii*) Whether the additional machinery/equipment would necessitate the import of any new raw material for any increase in the amount of the existing raw material ; if so, give the description of the raw-materials, annual requirements and the approximate CIF value.

(*c*) New undertakings or substantial expansion of the existing undertaking or manufacture of new articles; if so—

(*i*) Indicate the number and date of the industrial licence issued under the Industries (Development & Regulation) Act, 1951 or the number and date of the communication in which the approval of the sponsoring authority has been given.

(*ii*) What was the requirement of the foreign exchange for importing plant and equipment indicated in the application for the industrial licence or in the application for obtaining the approval of the sponsoring authority and if that value is different from the one given in this application give reasons therefor?

(*d*) End-product for the manufacture of which the machinery is sought to be imported.

Do the goods covered by this application form a complete order or only an instalment? If the latter, state:

(*a*) the exent of the instalment.

(*b*) the extent of the full order

(*c*) the date of any connected application for import licence, and No. and date of any licence issued.

(*i*) Will the goods covered by this application ensure the production of all the articles specified in the industrial licence/approval of the sponsoring authority ; if not indicate the articles covered.

(*ii*) Will the goods covered by this application result in a capacity higher or lower than that licensed under the Industries Act or approved by the sponsoring authority ? If so, indicate the extent of difference and reasons therefor.

APPENDIX 3—*contd.*

10. Is any issue of capital invloved for the purpose of importation of these goods ? If so, has the consent of Government been obtained, and in the name of what Company ? Also state what are the anounts of the present capital and the proposed expanded capital ?

11. Is the importation of goods to be made against any foreign share capital ? If so, furnish evidence to show that the terms and condition of foreign collaboration have been approved by the Government of India ?

12. Have you made enquiries from all indigenous suppliers of items included in the application, mentioned in the D.G. T. D.'s published list of suppliers of items?

Note : Copies of correspondence with suppliers to be enclosed. Where no replies have been received within one month, this fact may also be mentioned.

13. Whether the machinery to be imported is—

(a) Second-hand and reconditioned, or
(b) New.

If (a), a certificate from the suppliers or a firm of consulting Engineers should always be furnished to indicate the age of machinery, its present condition and probable unexpired life.

14. Applicants for H. E. P. should supply the information on the following points :—

(i) What is the total requirement for a particular project or scheme for which the import is applied for;

(ii) Date (s) by which the stores are required to be in position or on site and whether any staggering is possible. . . .

(iii) Date of advertising the Public tenders. . . . .

(iv) Details of prices and deliveries offered by the indigenous manufactures and also by the importers ;

(v) Details of orders placed on indigenous manufacturers and

(vi) Ground on which imports are asked for. . . . .

APPENDIX 3—*contd.*

15. The Customs House where the import licence, if granted, will be registered.

16. Full details of the enclosures attached with the application every copy of the document should be marked as a true copy and signed beneath by the applicant.

I/We hereby declare that the above statements are true and correct to the best of my/our knowledge and belief. I/We fully understand that any licence granted to me/us on the basis of the statements furnished is liable to cancellation in addition to any other penalty that the Government may impose having regard to the circumstances of the case if it is found that any of the statement of facts therein are incorrect and false.

Singature.....
Name in Block Letters.....
Designation.....
Date..... Residential Address.....

(1) Applicants are advised to read the licensing instruction for the current period carefully before filling up the Application Form for import licence.

(2) The infomation required against the various items in the form should be given legibly and complete in all details to avoid correspondence and delay in the disposal of their applications. The licensing authorites have discretion to reject an application if the application is not complete in all respects.

(3) Documentary evidence as asked for should be sent along with the application.

(4) Any special reasons in support of the application may, if necessary, be explained in a covering letter attached to the apllication.

(5) Applications should be signed by the proprietor, partner or managing director of the firm or by any person duly authorised to sign any legal declaration on behalf of the firm. The position held by the person signing the application should be clearly stated.

(6) Any applicant supplying false or incorrect infromation may be liable to have his licence cancelled and in addition may be debarred from the grant of an import licence in future.

Form (F)

APPLICATION FOR ESTABLISHMENT OF QUOTAS OR REVISION OF QUOTAS

1. Name of the firm . . . .

Fullll Postal Address
(i) House/Shop No.
(ii) Name of Street/Road .
(iii) Name of Locality . .
(iv) Name of State . . .

2. Description of goods . . .

3. Serial No. and Part of the I. T. C. Schedule.

4. Quota certificate No and Date held on any one or both the currency Areas, eg. S.C.A. and G.C.A. (Quota certificate sought to be revised to be enclosed ; If no Quota certificate is held in any of the areas, this should be indicated.

Particulars of Quota certificates held

Q. C. No. and Date	S. No. and Part No.	Basic Year	Currency Area	Value.

APPENDIX 3—*contd.*

5. If no quota certificate is held, or if the old quota certificate is sought to be revised furnish details of past imports in the basic year as the case may be, in the form enclosed along with relevant documents, A certified copy of each of the documents duly signed should also be furnished .

6. General information to be furnished :

(*a*) Date of Establishment of business in India. . . .

(*b*) Nature of the concern, whether Public or Private Ltd., or partnership or proprietary or Hindu undivided Family concern. .

(*c*) Name of Directors, Partners, Proprietors or Karta . . .

(*d*) Details of branches or associated companies in India (Names and Locations) ; Furnish name of the Bank in which yoy have a Bank account together with the number of Accounts, if any .

(*e*) Has any application been made by the applicant for fixation of quota for goods falling under the same Serial No. or sub-item of Serial No. If so, give details, basic year chosen and letter No. and date containing the decision of the authority to whom the application was made with the same set of documents . . .

(*f*) Have any branches or associated companies mentioned in (*d*) or any of the gentlemen names in (*c*) applied for fixation of quotas for goods falling under the same Serial No. or sub-item of the Serial No. If so, give details and the basic year chosen. Also declare that a common basic year has been chosen.

(*g*) Whether the firm or its Branches or its associate concerns are in receipt of any import licence for the same or similar itemas as Actual users and if so particulars of such licences should be furnished.

(*h*) Mention the changes in the constitution/name of the concern since inception or 1st April, 1951 whichever is later in the statement below : —

Date of change	Brief Nature of change	No. and Date of Communication sanctioning transfer of quotas

7. Reasons to prove the necessity for establishment or refixation of quotas (If necessary this infromation may be given in a separate statement)

8. Full details of the enclosures attaced with the application. (Every copy of the document should be marked as a true copy and signed beneath by the applicant).

S. No.	Nature of the document.

APPENDIX 3—*contd.*

(i) I /We hereby declare that the above statements are true and correct to the best of my/our knolwledge and belief. I/We fully understand that any Quotas certificate granted to me/us on the basis of the statement furnished is liable to cancellation, in addition to any other penalty that the Government may impose having regard to the circumstances of the case, if it is found that any of the statement or facts therein are incorrect or false.

(ii) We possess/do not possess two quota certificates for Serial number/sub-serial number (to be specified) and declare that we have submitted no other application for obtaining quota certificates for the same serial Number/ Sub-Serial number previously.

Station.....

Date——————————— Signature .....
Name in Block Letters.....
Designation.....
Residential Address.....

ANNEXURE TO THE APPLICATION FOR ESTABLISHMENT OF FRESH QUOTAS OR REVISION OF QUOTAS

STATEMENT OF PREVIOUS IMPORTS

Particulars of Bills of Entry No and Date etc. (i) Bill of Entry Cash No. and (duty paid) date in respect of Home Consumption Bill of Entry. (ii) I. D. F. No. and date in the case of duty free articles. (iii) Bond No. and date in respect of bonded goods (ex-bond green bills of entry not to be taken into account) (iv) Post parcel 'B' No. and date of importation.	C. I. F. value of the items applied for as shown in the invoice and accepted by the customs (Rupees).	Detailed description of goods (as shown in the Bills of Entry) imported.	Country whence consigned as shown in the Bill of Entry, or place of despatch in respect of imports by post.	Name of steamer by which imported and the port of entry	Detailed particulars of relevant licence licence against which imports were effected. Category, Licence No. & Date, value, S. No. BI/Adhoc etc.
(a) No. of documents	(b) Date of importation				
1	2	3	4	5	6	7

I/We solemnly dclare the above statement to be true and correct to the best of my/ our knowledge and that it does not include imports specified at items (i) to (x) of the note below:

Signature .....
Name in Bolck Letters.....
Designation .....
Residential Address.....

APPENDIX 3—*contd.*

NOTE :—

(*i*) Figures of imports of the article concerned made in contravention of the Import Trade Control Regulations, *i.e.*, without valid import licence where necessary should not be included.

(*ii*) Figures of imports of the articles concerned made against letters of authority should not be included.

(*iii*) Figures of imports of articles made under licence granted against orders for D.G.S. and D. or of the Government Railway should not be included for the purposes of calculating best year's imports.

(*iv*) Figures of imports made as Actual Users for consumption of the goods in the Actual Users own factory/establishment against a licence or under O.G.L. or otherwise should not be included for the purpose of calculation of best year's imports.

(*v*) Imports made under licences granted subject to the express condition that imports thereunder will not be taken into account in calculating quotas.

(*vi*) Imports made against C.G. and H.E.P. licences by Actual Users or other Importers against orders from Actual Users will not be taken into account in calculating quotas. Imports made against C.G. and H.E.P. licences for stock and sale purpose, only in respect of items covered by S. No. 36/II, 4/III and 65/V will be taken into account for calculation of quotas.

(*vii*) Imports of goods of no commercial value made against O.G.L. IV, will not be taken into account for calculation of quotas.

(*viii*) Imports made against licences granted under Export Promotion Scheme and Avocation Scheme will not be taken into account for calculation of quotas.

(*ix*) Imports made against 'Replacement licences', Import of casual nature *e.g.* imports for personal use, or imports as samples will not be taken into account for the purpose of calculation of quotas.

(*x*) Imports of equipments against licences issued under the Irrigation Project licensing scheme will not be taken into account for calculation of quotas.

FORM 'G'

FORM OF APPLICATION FOR REVALIDATION OF LICENCES

PART A

1. Name and full address of the licensee .

2. Licence No., date & value . . .

3. File No. of the licesing authority from whice the licence was issued.

4. Description of goods . . . .

5. Value for which goods have been shipped during the initial period of validity including period of revalidation already availed of, if any . . . .

6. Value for which irrevocable commitment has been made during the initial period of validity including period of revalidation already availed of, if any. (Supporting documentary evidence should be furnished) . . . .

APPENDIX 3—*contd.*

7. Whether first or second or subsequent request for revalidation (in the case of second or subsequent requests, the period of revlidation availed of earlier should be indicated)

8. Reasons for seeking revalidation (supporting documents to be furnished)

9. Period of revalidation applied for

10. List of enclosures

....
(Signature with full name)

Designation .....

Place..... Relationship .....

Date..... Full address.....
.....

PART B

Recommendations of the sponsoring authority

PART C

Action in the licensing office

APPENDIX 3—*contd.*

FORM 'H'(1)

Form of application for import of goods against the exports made by ***Registered Exporters.***

PART 'A'

(To be filled in by the registered exporter whether a merchant-exporter or a manufacturer-exporter).

1. **Name of the applicant** . . .

2. **Full Postal Address:** . . .

   (*i*) **House/Shop No.** . . .

   (*ii*) **Name of Street/Road** . .

   (*iii*) **Name of locality and city** .

   (*iv*) **Name of State** . . .

3. **Telegraphic Address** . . .

4. **Date of Establishment of business in India** . . . . .

5. Natures of the concern, whether Public Company or Private Company, Partnership or Hindu Undivided family concern . . . .

6. Name of Directors, Partners, Proprietor or Karta as the case may be . .

7. Detailss of Head Office of the applicant firm and its branches or associated companies (Name and location):

   (*i*) In India . . .
   (*ii*) Abroad . . .

8. No. and date of Registration certificate (copy of Registration Certificate to be furnished) . . . . .

9. Registration No. allotted to Income Tax verification Certificate or exemption therefrom . . . .

10. Treasury Receipt No. and date (Treasury Receipt to be attached in original) .

11. Quarter during which the exports were made . . . .

12. Whether the exports against which the present application is made have been utilised or are intended to be utilised for claiming any import licence by way of barter or for remittance against Capital Goods o ıin discharge o ny export obligation or for obtaining import icence under any other category . .

13. **Whether the exports have been made on consignment/approval basis** .

APPENDIX 3—*contd.*

14. Details of goods exported against which import licence((s) is/are required. The information should be given in the enclosed proforma and the prescribed document should be furnished

14A. Whether any application for grant of cash assistance has been made against all or any of the products mentioned in Column 14 above. If so please give the registration No. and date of that application . . . .

15. In case of nomination has been made the following particulars should be given (The original form of nomination of each nominee to be furnished)

Name of the nominee	f.o.b. value of the exported goods for which nomination is made.
1.	
2.	
3. etc.	

16. Full details of enclosures attached with the application . . . .

DECLARATION

I/We hereby declare :—

(*i*) that no other application for import licence has been made or will be made in future to the licensing authority on the basis of the exports covered by this application ;

(*ii*) that the consignment(s) parcel(s) has/have not been returned and that in case it is received back in future, an intimation to this effect would be sent to the concerned licensing authority at the earliest.

(*iii*) that the value, description and the origin of the exported goods have been correctly stated in the documents and there is no under/over invoicing in respect of exports covered by this application.

(*iv*) that the statements given/made in this application are true and correct to the best of my/our knowledge and belief.

(*v*) that the exports included in column 14 above are commercial exports in respect of which sale proceeds have been /will be received in the manner prescribed under the Foreign Exchange Regulation Act and that exports made by way of free replacement or not paid for, or not be paid for other reasons have not been included.

DECLARATION

1. I/We hereby declare that if this licence is granted, the goods will be utilised only for consumption as raw materials/components or accessories in our factory and that no portion thereof will be sold to or permitted to be used by any other party.

2. I/We hereby declare, that the above statements, are true and correct to the best of my/our knowledge and belief. I/We, fully understand that any licence granted to me/us on the basis of the statement furnished is liable to cancellation, in addition to any other penalty that the Government may impose or any other action that may be taken having regard to the circumstances of the case if it is found that any of the statements of facts therein are incorrect or false.

Signature.....
Name in Block Letter.....
Designation.....
Residential Address .....

Date.....

APPENDIX 3—*contd.*

Particulars of Exports against which Import Licence is claimed for quarter.....

Product exported against which Licence is claimed:		Details of documents of exports			Country to which exported	FOB value of Invoice if prepared on FOB basis.	CIF or C&F Value as per invoice	Insurance paid (if any)
Description of goods as in export documents	Description as per Tabular statement given in Section III Part B of Red Book.	No. & date of Invoice	No. & date of B/L, Air way Bills/Postal receipts	No. & date of shipping Bill				
1	2	3	4	5	6	7	8	9

APPENDIX 3—*contd.*

Freight paid as per B/L Rostal Receipt Airway Bill	Total of & Insurance	FOB value of freight exports after excluding actual freight & insurance.	FOB value as per shipping Bill	FOB value claimed.	Rate and amount of licence entitlement due		F.O.B. value of exports & entitlement out of Col. 16 & 17 claimed in application's own name		FOB value of exports & entitlement (out of Col. 16 and 17) claimed in favour of nominee	
					Rate	Amount	Value of exports	Entitlements	Value of exports	Entitlements.
10	11	12	13	14	15	16	17	18	19	20

APPENDIX 3—*contd.*

PART B

(To be filled in only by the applicant who is a registered manufacturer-exporter and claims a licence in his own name against the exports made by him.)

1. Address and location of factory .

2. Name of the Industry and the purpose for which the raw materials/components are required . . . .

3. Description of goods manufactured .

4. Registration No. allotted to the applicant by the DGTD/State Directorate of Industries . . . .

5. C.I.F. value in rupees of the licence (s) applied for . . .

6. No. and value of the valid A.U. licence (s) on the basis of which the items sought to be imported or applied for.

7. List of items applied for. (Five copies of the list to be furnished)—Separate sets of lists should be furnished for (*i*)items licensable by the Iron and Steel Controller, (*ii*) items of tools and jigs and equipments, (*iii*) items soguht to be imported from rupee payment area, and (*iv*) items other than those covered by the A.U. licence . . . .

Item	Pt. & S. No.	Country of Import	c. i. f. value

8. Is a letter of authority desired ? If so, name of the firm in whose favour it is desired . . . . .

9. The Custom house where the import licence, if granted, will be registered.

I/We fully understand that any licence granted on the basis of the above statements furnished, is liable to cancellation in addition to any other penalty that the Government may impose having regard to the circumstances of the case after it is found that any of the statements or facts herein are incorrect or false.

Signature .....

Name in Block letter.....

Designation.....

Residential Address .....

.....

APPENDIX 3—*contd.*

PART C

Particulars of the nominees

(To be filled in by the nominee of the registered exporter If there are more than one nominee, this Appendix should be filled in by each nominee. separately).

1. Name of the Nominee . . .

2. Full Postal Address : . .

   (*i*) House/Shop No.
   (*ii*) Name of Street/Road
   (*iii*) Name of locality and city
   (*iv*) Name of State

3. Telegraphic Address

4. Date of Establishment of business in India . . .

5. Nature of the concern, whether Public Company or Private Company, Partnership or Hindu undivided family concern

6. Name of Directors, Partners, Proprietor or Katra as the case may be .

7. Details of branches or associated companies (name and location) :— . .

   (*i*) In India . . .
   (*ii*) Abroad . . .

8. Registration No. allotted to Income-tax Verifiction Certificate or Exemption therefrom. . . . .

9. Name of the Industry and the purpose for which the raw materials/components re required . . .

10. Description of goods manufactured .

11. Registration No. allotted to the applicant by the DGTD/State Directorate of Industries . . . .

12 C.I.F. value in rupees of the licence(s) applied for . . . .

13. No. and value of the valid AU. licence(s) on the basis of which the items sought to be imported or applied for .

14. List of items applied for. (Five copies of the list to be furnished)—Separate sets of lists should be furnished for (*i*) items licensable by the Iron and Steel Controller, (*ii*) items of tools and jigs and equipments (*iii*) items sought to be imported from rupee payment area, and (*iv*) items other than those covered by the A.U. licence . . .

APPENDIX 3—*contd.*

15. I.T.C. classification of the goods to be imported . . . . .

16. Country(s) of shipment . . . .

17. Is a letter of authority desired ? If so, name of the firm in whose favour it is desired . . . . . .

18. The Customs house where the import licence, if granted, will be registered .

DECLARATION

I/We hereby declare that if this licence is granted, the imported goods will be utilised only for a consumption as raw materials/components or accessories in our factory and that no portion thereof will be sold to or permitted to be used by any other party.

I/We hereby declare, that the above statements, are true and correct to the best of my/our knowledge and belief. I/We fully understand that any licence granted to me/us on the basis of the statement furnished is liable to cancelation, in addition to any other penalty that the Government may impose or any other action that may be taken having regard to the circumstances of the case if it is found that any of the statements of facts therein are incorrect or false.

Signature.....

Name in Block Letters.....

Designation.....

Dated..... Residential Address.....

FORM 'H' (2)

Form of application for import of goods against the exports made by established Registered Manufacturer-Exporters.

(A) *Particulars of the Applicant.*

1. Name of the Applicant .

2. Full Postal Address

(*i*) House/Shop No.
(*ii*) Name of Street/Road
(*iii*) Name of locality . .
(*iv*) Name of State . .

3. Telegraphic Address . . .

4. Address of location of factory

5. Name of the Industry and the purpose for which the raw materials/components are required . . .

6. Description of goods manufactured

(B) *Particulars of Application* :

7. Treasury Receipt No. and date (T.R. to be attached in original)

8 Month/Quarter during which the exports were made

APPENDIX 3—*contd.*

9. Whether the exports against which the present application is made have been utilised or are intended to be utilised for claiming any import licence by way of bar or otherwise or remittance against Capital Goods or in discharge of any export obligation or for obtaining import licence under any other category

10. Whether the exports have been made on consignment approval basis.

11. Details of goods exported against which import licence(s) is are required. The information should be given in the enclosed proforma and the prescribed documents should be furnished

12. List of items applied for (Five copies of the list to be furnished). Separate sets of lists should be furnished for (*i*) items licensable by C. S. Controller and (*ii*) items of tools and Jigs and equipments

Item	Pt. S. No	Country of import	C.I.F value

13. Is a L/A desired ? If so, name of the firm in whose favour it is desired.

14. The Customs House where the Import licence, if granted, will be registered

DECLARATION

I/We hereby declare :—

(*i*) that no other application for import licence has been made or will be made in future to the licensing authority on the basis of the exports covered by this application ;

(*ii*) that the consignment(s)/parcel(s) has/have now been returned and that in case it is received back in future, an intimation to this effect would be sent to the concerned licensing authority at the earliest ;

(*iii*) that the value, description and the origin of the exported goods have been correctly stated in the documents ; and

(*iv*) that the statements given/made in this application are true and correct to the best of my/our knowledge and belief.

APPENDIX 3—*contd.*

DECLARATION

1. I hereby declare that if this licence is granted, the goods will be utilised only for consumption as raw materials/components or accessories in our factory and that no portion thereof will be sold to or permitted to be used by any other party.

2. I/We hereby declare, that the above statements, are true and correct to the best of my/our knowledge and belief. I/We, fully understand that any licence granted to me/us on the basis of the statement furnished is liable to cancellation, in addition to any other penalty that the Government may impose or any other action that may be taken having regard to the circumstances of the case if it is found that any of the statements of facts therein are incorrect or false.

Signature .....

Name in Block Letters.....

Dated

Designation.....

Residential Address .....

APPENDIX 3—*contd.*

Enclosure to simplified application Form

Particulars of Exports against which Import Licence/Licences is/are claimed.

Product exported :— Indicate main group, such as engineering. The application should cover products in only one group.			No. and date of Bill of lading Airway Bill/ Postal receipt	No. & date of shipping Bill	No. & date of invoice	Country to which export exported	F.O.B. value of exports out of column 6 against which import licene(s) is/are claimed in applicants own name.	F.O.B. value of exports out of column 6 against which the import licence (s) is/ are claimed in the name of the nominee (s)
Description as in export documents	Description as in Govt. letter sanctioning export.	pt. & S. No.						
1	2	3	4	5	6	7	8	

APPENDIX 3—*contd.*

FORM—'H'(3)

Application Form for Licence for replinshment of Raw Materials against Export of GEM and Jewellery Items.

1. Name of applicant . . . .

   Full Postal Address :-

   (*i*) House/Shop No. . . .

   (*ii*) Name of the Street/Road .

   (*iii*) Name of locality . . .

   (*iv*) Name of State . . .

   (*v*) Telegraphic Address .

2. Registration No. allotted to Income-tax Verification Certificate or exemption therefrom . . .

3. No. and Date of Treasury Receipt showing Payment of the requisite fees required under the Commerce and Industry Ministry Order No. 17/55, dated the 7th December, 1955 as amended from time to time. (Treasury Receipt be attached).

4(*a*) Whether the application is preferred on quarterly basis. . . . .

   (*b*) The quarter for which the application is made. . . .

   (*c*) The quarter in which payments were received in respect of each consignment . . .

5 (*a*) Whether the applicants' name has been registered for any of the Gem and Jewellery items under erstwhile E.P. Scheme or by Gem and Jewellery Council, if so . . . . . .

   (*i*) the authority by whom registration was made . . .

   (*ii*) No. and date of certificate of registration (copy to be enclosed).

   (*iii*) Date of application for registration . . . .

   (*b*) The date on which the last application was submitted preferably with reference number of I.T.C. authority to whom it was made

   (*b*) Classification of these items under I.T.C. Schedule . . .

6. (*a*) Items of exports for which registered

   (*b*) classification under ITC schedule .

7. (*a*) Full description of raw-materials to be imported . . . .

   (*b*) Classification under I.T.C. Schedule Part and Serial No. .

   (*c*) Value (C.I.F.) in Rupees .

APPENDIX 3—*contd.*

(*d*) Country(s) of Shipment . .

(*e*) Country(s) of origin . .

(*f*) The Customs House where the import licence, if granted, will be registered

8. Category of Exporter (i.e., Manufacturer or Merchant)

9. Name and address of the factory where the imported raw material will be fabricated for export . .

10 Whether applicant has factory of his own or not. If not, what are the standing arrangements with the manufacturers of the products .

11. Particulars of licences, if any obtained under any other Scheme . .

12. Information to be furnished in case of application against past exports

(*a*) Description of goods exported (please furnish Invoices with connected relevant shipping documents, etc.) . . .

(*b*) Real value of the goods exported, as declared before the Customs authorities.

(*c*) F.O.B. value of payment received during the Preceding quarter (in rupees) . . . .

(d) Bank Certificate (as per proforma enclosed with No., date and the name of the Bank). . .

(e) Details of licences obtained in the previous 12 months and details of imports made against each licence . . . .

(f) Whether the exports against which the present application is made have been utilised for claiming any import licences by way of barter or for capital goods or in discharge of any export obligation or for import licence under any other scheme . . . . .

(g) Whether the exports have been made on consignment/approval basis

13. (a) Date of establishment of business in India . . . .

APPENDIX 3—*contd.*

(*b*) Nature of the concern whether Public or Private Ltd., or Partnership or Proprietary or Hindu Undivided Family concern.

(*c*) Names of Directors, Partners, Proprietor or Karta as the case may be.

(*d*) Details of branches or associated companies (Names and Locations)

(*i*) In India . . . .

(*ii*) Abroad

(*e*) Has any application been made in this quarter against payments received in the preceding quarter for other or similar item under any other Scheme ? If so, give details.

(*f*) Have any branches or associated companies mentioned in (*d*) or any of the gentlemen named in (*c*) applied for an import licence for import of goods falling under the same serial number or sub-item of serial number for the same period ? If so, give details . .

(*g*) Whether the constitution of the firm has undergone any change after the exports have been effected. If so, quote No. and date of orders issued by the appropriate authority sanctioning transfer of quota rights in favour of the applicant. (This information should be given by the established Exporters only) .

14. Full details of the enclosures attached with the application. (every copy of the document should be marked as a true copy and signed beneath by the applicant) . . .

S. No.	Nature of the document.

I/We hereby declare that the above statements are true and correct to the best of my/our knowledge and belief. I/We fully understand that any licence granted to me/us on the basis of the statement furnished is liable to cancellation, in addition to any other penalty that the Government may impose having regard to the circumstances of the case, if it is found that any of the statements or facts therein are incorrect or false.

Signature .....

Name in Block Letters.....

Designation.....

Date.....

Residential Address———————

APPENDIX 3—*contd.*

BANK CERTIFICATE

This is to certify that the following bills covering exports of.....to foreign countries drawn by M/s.....have been negotiated and proceeds received by us as per exchange control regulations in approved manner. We also certify that payments hereof have/have not been received in non-convertible Rupee Account or under any special bilateral trade agreement.

1	2	3	4	5	6	7	8	9
Serial No.	Invoice No.	Date of exports	Description of goods exported	Bill of Lading Postal Receipt and/or Railway Bill No. and date.	F.O.B. value of goods	Country/ Countries to which exports have been made	Date on which payment was received	GR/PM HP Form No. and date.

(Signature of Manager/Authorised Officer)

Official Stamp

NOTE.—The bank Certificate should be on the Bank's letter head and should bear the Seal/Stamp of the Bank.

APPENDIX 3—*contd.*

I

Application form for established Importers

(Repeat Licensing Scheme's)

Deleted.

APPENDIX 3—*contd.*

FORM (J)

Form of application for a licence for Import of Newsprint For Publishing Newspapers/Periodicals

PART I

(To be filled in by the applicant for use in the licensing Office)

A. Particulars of the applicant
1. Name of the applicant . . .
2. Full Postal Address:—
(*i*) House/Shop No.
(*ii*) Name of Street/Road . .
(*iii*) Name of locality and city . .
(*iv*) Name of State . . . .

3. Telegraphic Address . . .

B. Particulars of application:

1. Registration No. allotted to Income tax verification Certificate or Exemption therefrom . . .

2. Treasury Receipts No. and date (treasury Receipt to be attached in original) . . . . . .

3. Licensing period in respect of which application is made . . .

4. (*a*) Country from which the goods are sought to be imported .
(*b*) Where shipment is to be effected from a country different from the country in which the goods originated, full statement of reasons for the same should be given .

5. Is a letter of authority desired? If so, name of the firm in whose favour it is desired . . .

C. General Information to be furnished :
1. Date of Establishment of business in India . . . .

2. Nature of the concern, whether Public Company or Private Company, Partnership or Hindu undivided family concern . . . .

3. Names of all the Directors, Partners, Proprietor or Karta as the case may be with their address . . .

4. Details of branches or associated companies (Name and Location):—

(*i*) In India . . . . .
(*ii*) Abroad . . . . .

5. Has any application been already made by the applicant for goods falling under the same S. No. or sub-item of Serial No. for the same period from any country in any category? If so, give details . .

APPENDIX 3—*contd.*

6. Have any branches or associate companies mentioned in (4) or any of the gentlemen named in (3) applied for an import licence for import of goods falling under the same serial number for the same period ?

7. Is any branch/associate concern of applicant holding an Established Importer quota for particular item/items covered by this application ? If so, details of quota certificates/Established Importers licences may be given . . . . .

8. The Customs House where the import licence if granted, will be registered . . . . .

9. Full details of the enclosures attached with the application. (Every copy of the document should be marked as a true copy and signed beneath by the applicant) . . .

PART II

(To be filled in by the applicant for use by the sponsoring authority)

(*i*) Title of the newspaper/periodical and the date from which it is regularly published . .

(*ii*) Area of the page of newspaper/periodical (in sq. inches) during 1957 or the first year of publication and also during previous licensing period . .

(*iii*) Average number of pages per issue, including supplements, during 1957, or the first year of publication and also during previous licensing period . . .

(*iv*) Periodicity of issue and language of the newspaper/periodicals and whether it has been in regular publication during the last calendar year indicating the actual number of days of publication;

(*v*) Average circulation per publishing day during the period April 1961-March 1962, indicating the paid and free (including complimentary, voucher, exchange, bonus, sample and office copies only) circulation, separately. Copies representing unsold returns and other copies which might have been printed, but not actually sold or distributed free as complimentary, voucher copies, etc. should not be included in the circulation statement but shown separately. The number of copies

APPENDIX—*contd*

distributed free, unsold returns or any other copies printed but neither sold nor distributed free would be taken into consideration for purposes of allotment of newsprint, provided these represent a reasonable percentage of the print order. The circulation along with size and pages should be certified by a Chartered Accountant where it exceeds 2,000 copies per publishing day . .

(*vi*) Sample copy of an issue bearing the date of 1st April, (current year) or the date nearest to it, should also be sent . .

(*vii*) whether the newspaper/periodical is registered with the Registrar of Newspapers for India, and, if so, the Registration Number allotted . . . .

(*viii*) The total quantity of newsprint (imported and indigenous to be shown separately) allotted and consumed during previous licensing period. In case an applicant consumed more newsprint than what had been allotted for the period mentioned above, the source (s) from which the additional quantities were procured should also be indicated . .

(*ix*) Details whether the newspaper/periodical is printed on rotary or flat-bed press or any other type of printing machinery, and

5. Particulars of newsprint to be imported.

Item and ITC S. No.	Quantity	Value (c.i.f.)

6. Particulars of licences issued and imports effected during the last three periods.

Licensing Period	No. and date and value of licence	Value (c.i.f.) of goods imported	Description of goods

7. Stocks			Expected arrivals against Licences, c.i.f. allocations, Nepa and Printing & Writing paper authorisation		
Against previous licensing year entitlement	Against current year quota, if any	Total	Against previous licensing entitlement	Against current year expected entitlement	Total

Appendix 3—contd.

(*i*) *Imported:*

(*a*) Glazed . . . .

(*b*) Unglazed . . . .

(*ii*) *Nepa Newsprint* . . .

(*iii*) Printing & Writing Paper . .

---

8. Period for which stock and expected arrivals are to last . . .

9. Consumption of the imported Newsprint during the 12 months

---

Item	Quantity	Value

---

1. I/We hereby declare that if this licence is granted, the goods will be utilised only for printing of the Newspapers/periodicals for which the same is applied for and no portion thereof will be sold to or permitted to be used for any other newspaper(s) or for any other purpose.

2. I/We hereby declare, that the above statements are true and correct to the best of my/our knowledge and belief. I/We fully understand that any licence granted to me/us on the basis of the statement furnished is liable to cancellation, in addition to any other penalty that the Government may impose or any others action that may be taken, having regard to the circumstances of the case if it is found that any of the statements of facts therein are incorrect or false.

Signature.....

Name in Block Letters.....

Date

Designation.....

Residential Address.....

APPENDIX 3—*contd.*

FORM K

FORM OF APPLICATION FOR PUBLIC SECTOR PROJECTS AND UNDERTAKINGS FOR IMPORT OF (i) MAINTENANCE AND OPERATIONAL ITEMS OF SPARES AND STORES & (ii) RAW MATERIALS, COMPONENTS AND MAJOR ASSEMBLIES

1. (i) Name of the applicant.
   (ii) Postal address of the applicant.
   (iii) Telegraphic address of the applicant.
   (iv) Address and location of factory.

2. *Particulars Regarding Industrial Unit :*
   (i) Name of the Industry and the purpose for which the goods applied for are required;
   (ii) Description of goods manufactured.

3. Treasury Receipt No. and date (Treasury Receipt to be attached).

4. Licensing period.

5. Particulars of goods to be imported (to be detailed in a separate list to be attached).

6. Where shipment is to be effected from a country different from the country in which the goods originated, full statement of reasons for the same should be given.

7. Is a letter of authority desired, if so, Name of the firm in whose favour it is desired (necessary documentary evidence should be furnished).

8. *General Information to be Furnished :*
   (i) Nature of the concern;
   (ii) The Customs House where the import licence if granted, will be registered.

9. Full details of the enclosures attached with the application :

DECLARATION

(1) I/We hereby declare that the goods for the import of which the application has been made are not meant for use in the manufacture of new articles for which a licence has not been obtained under Industries (Development and Regulations) Act, 1951.

(2) I/We hereby declare that if this licence is granted the goods will be utilised only for consumption as raw materials or accessories in our factory and that no portion thereof will be sold to or permitted to be used by any other party.

(3) I/We hereby declare that the above statements are true and correct to the best of my/our knowledge and belief. I/We fully understand that any licence granted to me/us on the basis of the statement furnished is liable to cancellation, in addition to any other penalty that the Government may impose having regard to the circumstances of the case if it is found that any of the statements or facts therein are incorrect or false.

Signature———————
Name in Block
letters : ———————

Date:———————

Designation : ———————

Note : In the case of applications for maintenance and operational items of spares and stores, a certificate should be appended by the applicant at the end of the application form covering the following points:—

(a) that the items sought to be imported are either not available indigenously or available in specific delivery period not suitable to project authority; and

(b) that they are not banned or if banned, suitable clearance from the D. G. T. D. has been obtained.
(Floating of enquiries in trade journals in time and non-receipt of acceptable offers will be a sufficient ground for certifying indigenous non-availability by the project authorities.)

APPENDIX 4

(*Vide* para 13 of Chapter II)

SUBJECT :—*Registration Scheme—Principles governing allotment of I.V.C. numbers.*

The following decisions taken by the Government of India in connection with the production of Income-tax Verification Certificates and the allotment of Registration Numbers and the procedure to be adopted for applying for exemption from the production of such certificates are hereby published for general information.

2. The allotment of both Income-tax Verification Registration Numbers and Exemption Numbers will only be done by the following authorities whose jurisdiction is shown in Annexure III:—

1. Joint Chief Controller of Imports and Exports, 4, Esplanade East, Calcutta.
2. Joint Chief Controller of Imports and Exports, Central Govt. Offices, New Building, S.E. Wing, New Marine Lines, Church Gate, Bombay.
3. Joint Chief Controller of Imports and Exports, 19/20, Custom House, Madras.
4. Joint Chief Controller of Imports and Exports, Central Licensing Area, Indraprastha Bhavan, 'A' Wing, New Delhi.
5. Deputy Chief Controller of Imports and Exports, Panjim, (GOA).
6. Deputy Chief Controller of Imports and Exports, Kanpur.
7. Deputy Chief Controller of Imports and Exports, Ernakulam.
8. Controller of Imports and Exports, Srinagar/Jammu.
9. Controller of Imports & Exports, Rajkot.
10. Controller of Imports and Exports, Visakhapatnam.
11. Controller of Imports and Exports, Bangalore.
12. Controller of Imports and Exports, Pondicherry.
13. Assistant Controller of Imports and Exports, Shillong.
14. Assistant Controller of Imports and Exports, New Kandla.

3. The prospective applicants for import/export licences except those mentioned in paragraphs 6, 13 and 14 below should make an application in the form prescribed in Annexure I to this Appendix and present it in duplicate to the proper Income-tax authority

APPENDIX 4—*contd.*

(specified in paragraph 4 below) who will then verify the particulars from their records, subscribe the necessary verification certificates on one copy and return it to the applicant so as to enable him to forward the same to one of the officers referred to in the preceding paragraph. *The applicant should note that each page of the I.V.C. should bear the seal and signature of the I.T.O. concerned.* It is not necessary to obtain a separate number from each licensing authority as for instance, a Registration Number allotted by the Joint Chief Controller of Imports and Exports, Calcutta will be held valid by the Joint Chief Controller of Imports and Exports, Bombay and *vice versa* and so on. Applicants should quote the I.V.C. Registration Number, if any, allotted to them by the Import Trade Control Authorities during the last two annual licensing periods.

4. The proper income-tax authorities for the purpose will be the Income-tax Officer of the Circle, Ward or District where the applicant is assessed or is assessable to income-tax. The certificate may also be issued in Bombay and Calcutta by the Headquarters Assistant Commissioners of Income-tax and in Madras and Delhi by the Inspecting Assistant Commissioner of Income-tax.

5. The Registration Number allotted against a complete Income-tax Verification Certificate will be valid for the financial year in which the certificate is issued and for the subsequent two financial years. For instance, on an Income-tax Officer's certificate issued during the period from April 1962 to March 1963, a Registration Number allotted would be valid for the financial years April 1962—March 1963, April 1963—March 1964 and April 1964—March 1965. For this purpose a distinct symbol is given on the Registration Numbers which shows the month as well as the year when its validity expires. It would be in the interest of applicants if Income-tax Verification Numbers are duly obtained by them well in advance of the expiry of the old Number. However, in cases of genuine difficulty, the licensing authority may grant a licence even after the expiry of the validity of the I.V.C. No. subject to the condition that the applicant shall produce the valid I.V.C. No. before the end of the licensing period. This concession will be available only for one licensing period.

6 Such Government or Semi-Government Institutions as are not liable to income-tax need not apply for either the Registration or Exemption Number and may submit applications for licences without quoting either number.

7. The following classes of applicants are required to obtain exemption numbers and should apply in the prescribed form (Annexure I) to the proper authority as prescribed in Annexure III :—

(i) Applicants who had no taxable income during any of the previous five years; and

(ii) Those who are not liable to tax under sections 10 to 13 of the Income-tax Act, 1961.

APPENDIX 4—*contd.*

(iii) Co-operative Societies which are not liable to tax under section 81 of the Income-tax Act, 1961.

8. (a) (1) Applicants whose cases are governed by paragraph 7 above, will be required to declare on a stamped affidavit to the form given in Annexure II, before a Magistrate or an Oath Commissioner, Notary Public or an Assistant Registrar of High Court the fact that they had no income in the past five years liable to tax giving the reasons therefor, or that they are exempt from payment of tax under Sections 10 to 13 of the Income-tax Act, 1961 or they are Co-operative Societies which are not liable to tax under Section 81 of the Income-tax Act, 1961 as the case may be, and present such affidavits along with the application (Annexure 1) in duplicate and such other documents as have been prescribed to the Income-tax Officer concerned. The Income-tax Officer will after satisfying himself of the correctness of the facts stated in the affidavit endorse the appropriate certificates on the application and return the original application except the duplicate. All other documents, the affidavits and the duplicate copies of the enclosures mentioned in item 9 of Annexure I, will be retained by the Income-tax Officer. The deponent will thereupon present the application along with the other prescribed accompaniments to the allotting *authority concerned.*

(2) Where, however, an applicant who is (would have been) liable to tax in the status of an individual or Hindu Unidivided Family, has been submitting regularly during the past 5 years, his returns of total income of the Income-tax Officer concerned, but no tax was levied as the income was below taxable limit, he need not file any affidavit.

8(b) Where in cases falling under paragraph 7 the applicant is a "Private Limited Company", "Public Limited Company", "Partnership Concern", "Proprietory Concern", "Association of Persons", the applications for exemption numbers should be accompanied by the following documents:—

(i) Private Limited Companies—IVC/affidavit only from Directors/Shareholders who hold more than 10 per cent of the shares of company or the value of whose holding is Rs. 10,000 or above, about their income from all sources for the past five years.

(ii) Public Limited Companies—Incorporation Certificate to prove that this is a Public Limited Company.

(iii) Partnership Concerns—Association of Persons (other than Co-operative Societies)—Income-tax Verification Certificates or Affidavits of all partners/members of Association of persons about their income from all sources for the last five years.

(iv) Proprietory Concerns—Income-tax Verification Certificates or Affidavit of the proprietor about his income from all sources for the past five years. (No affidavit need be filed in respect of cases covered by paragraph 8(a) (2).

APPENDIX 4—*contd.*

(v) Co-operative Societies—Registration Certificate from Registrar of Co-operative Societies to prove that this is a Co-operative Society.

9. In the case of applicants falling under paragraph 7, the authorities mentioned in paragraph 2 above, will, on production of the application (Annexure I) duly completed, allot an Exemption Number.

10. In the case of displaced persons who have been forced to migrate to India from Pakistan and have not completed one calendar year of their residence in India, it would not be necessary to produce the usual affidavit on a stamped paper to the Income-tax Officers. Such persons will instead produce the Refugee Registration Card or the Camp Commandant Certificate before the Income-tax Officer concerned along with the application (in duplicate) in the prescribed form (Annexure I). The Income-tax Officer will dispense with the production of Affidavit and after entering such application in his register, will endorse on the original a certificate in the usual form incorporating these facts. The original will be returned to the applicant and the duplicate retained by the Income-tax Officer. On presentation of such a completed document, the authority concerned would allot an Exemption Number.

11. The period of validity of Exemption Numbers will be calculated on the same basis as is laid down in respect of Income-tax Registration Numbers, *vide* paragraph 5 above.

12. All applicants for import and export licences should get the Registration Numbers (which include Exemption Number also) and quote them in the relevant column of their applications for import and export licences except as hereinafter provided.

13. In the case of applications for export permits, the necessity of quoting an Exemption or a Registration Number is dispensed with in the following cases:—

(i) Personal belongings.

(ii) Post Parcel Gifts.

(iii) Applications from Charitable Institutions.

(iv) Shipments or exhibits to trade fairs and exhibitions in which Indian producers may be participating.

(v) Non-commercial exports of small values like exposed educational films etc.

APPENDIX 4—*contd.*

14. In the case of applications for import licences, the production of Exemption or Registration Numbers has been dispensed with in the following cases:—

(i) Import of personal belongings of small value.

(ii) Unsolicited gifts of small values where no exchange remittances are involved.

(iii) Goods required for actual use in educational or charitable institutions which are exempted from payment of Income-tax.

15. *Foreign Nationals.*—(a) Applicants who are nationals of Tibet, Nepal or any other adjoining foreign territory are not required to quote any Registration/Exemption Number provided they do not conduct their business in India and the goods imported will be in transit only to the territory where the applicants reside.

(b) Applicants from foreign territories who are conducting their business in India and also those Indians who are conducting business in Nepal, Tibet or in any other adjoining foreign territory besides business in India will be required to produce Income-tax Verification Certificate etc. like other applicants.

(c) Other applicants who claim that they have no office or branch in India should furnish an affidavit to the effect that their firm is constituted of non-Indian Nationals only.

APPENDIX 4—*contd.*

ANNEXURE I

Form of Certificate of Income-tax Asessment to be produced by an Applicant for Import and Export Licence.

1. (a) Trade name and address of the assessee (in case of Registration Numbers) the applicant (in case of Exemption Numbers).

(b) Names of branches if any of 1(a) with their addresses.

2. Name and address of the person making this application and the interest he has in 1 above.

3. Year in which the business was established.

4. Status for purpose of Income-Tax Assessment:—

(i) Individual.

(ii) Hindu Undivided Family.

(iii) Company.

(iv) Firm.

(v) Association of persons.

5. The Income-tax Circle/Ward/District in which the applicant is assessed to Income-tax.

6. Line or Lines in which the applicant is doing business (by Major Heads).

7. Reference No. (of G.I.R.) of the assessment.

8. (a) Where maximum Income-tax paid during any one of the past five years was:—

(a) Upto Rs. 100.

(b) From Rs. 101 to Rs. 249.

(c) From Rs. 250 to Rs. 499.

(d) From Rs. 500 to Rs. 999.

(e) From Rs. 1,000 to Rs. 4,999.

(f) From Rs. 5,000 to Rs. 9,999.

(g) From Rs. 10,000 and above.

NOTE.—The above entries may be completed also in the case of firms registered under the Income-tax Act, 1961 with reference to the tax that would be payable if assessed as an unregistered firm.

(b) In case no final assessment has been made it should be stated whether tax paid in advance (or payable) on the basis of

ANNEXURE I—*contd.*

return filed under sections 139(1), (2), 141 and 212(3) of the Income-tax Act, 1961 was:—

(a) Upto Rs. 100.

(b) From Rs. 101 to Rs. 249.

(c) From Rs. 250 to Rs. 499.

(d) From Rs. 500 to Rs. 999.

(e) From Rs. 1,000 to Rs. 4,999.

(f) From Rs. 5,000 to Rs. 9,999.

(g) From Rs. 10,000 and above.

NOTE.—The above entries may be completed also in the case of firms registered under the "Income-tax Act, 1961" with reference to the tax that would be payable if assessed as an unregistered firm.

9. Please attach a list of:—

(a) Partners with their addresses if the concern is a firm.

(b) Persons with their addresses if the concern is an association.

(c) Adult male members if it is a family concern.

(d) In case of Private Limited Companies the names of all shareholders including the directors with their addresses.

(e) In case of Public Limited concerns certificate of incorporation to prove that the firm is a Public Limited Company.

(f) Registration certificate from the Registrar of Co-operative Societies to prove that this is a Co-operative Society.

10. State the I.V.C. Registration/Exemption number allotted to the applicant by the I/ETC licensing authorities:—

(i) during the last two licensing periods; and

(ii) during the current licensing period (in case one has already been allotted).

11. Number and date of the application, if any, already made to the licensing authority for the allotment of I.V.C. number during the current period.

12. I declare that the above mentioned information is correct and complete to the best of my information and belief.

Signature of the Applicant
his authorised Agent.

(1) Name in Block letters.....

(2) Full Residential Address.....

.....

ANNEXURE I—*contd.*

(*To be filled by the Income-tax Officer*)

1. *This is a case for allotment of Registration Number.*

In my opinion the applicant mentioned above Mr./Messrs..... .....has been doing everything possible to pay the tax demands promptly and regularly and to facilitate the completion of the pending or outstanding proceedings The certificate is valid for one year from the date of issue.

2. *This is a case for allotment of Exemption Number.*

*(i) The partners of the firm/members of the Association of persons (other than Co-operative Societies) are either regular tax payers or have filed the prescribed affidavits, the facts stated in which have been verified.

*(ii) The Directors of.....which is a Private Limited Company are either regular tax payers or have filed the prescribed affidavits, the facts stated in which have been verified.

*(iii) M/s.....which is a Public Limited Company have filed the incorporation certificate to prove that it is a public limited company.

*(iv) Shri.....of..... (which is a Proprietory concern) is either a regular tax payer or has filed an affidavit in the prescribed form the facts stated in which have been verified.

£ (v) Refugee Registration Card or Camp Commandant's certificate has been examined and duly endorsed by me.

*(vi) Shri.....has been submitting his income-tax returns for the past five years in the status of an individual/HUF but no tax was levied as the income was below taxable limit.

*(vii) .....which is a Co-operative Society has filed the Registration Certificate from the Registrar of Co-operative Societies to prove that this is a Co-operative Society.

(*) Strike out those not applicable.

(£) Applicable to those displaced individuals or firm who have entered India within one year from the date of this application.

The case has been entered in our registers and I have no objection to an Exemption Number being allowed in this case for a period of one year from this date.

(*Signature of the Income-tax Officer*)

Circle/Ward/District.

SEAL

APPENDIX 4—*contd.*

ANNEXURE II

Affidavits necessary to be produced by class of applicants falling under paragraph 7 above should contain *inter alia* the following declaration signed by the proprietor, the partners of the firms members of the H.U.F. or Association or Directors in the case of a Private Limited Company applying for the allotment of Exemption Numbers. The person/persons signing the affidavit should also give their name (in block letters) and full residential address.

"I/We, Proprietor/Partners/Directors/Members of family of association of M/s..... hereby solemnly declare that I/We have no place of income outside India and that my/our income from all sources during the past five years has been below the taxable limit or my/our main source of income during the past five years has been from agriculture which is exempted from payment of tax under section 10 of the Income Tax Act 1961. I/We have had no income from any other source liable to be taxed under the said Act."

ANNEXURE III

Area where these Income-tax Officers granting the Income-tax Verification Certificates are stationed.	Authority to whom Application for allotment of number should be made.
1. Delhi, Rajasthan, Himachal Pradesh, Punjab and Haryana.	Joint Chief Controller of Imports (Central Licensing Area), Indraprastha Bhavan 'A' Wing, New Delhi.
2. Utter Pradesh	Deputy Chief Controller of Imports and Exports, 112/1-B Benajhabar, Kanpur-2.
3. Jammu and Kashmir . . .	Controller of Imports and Exports Srinagar/Jammu.
4. Bihar, Orissa, West Bengal, Tripura, Andaman and Nicobar Islands	Jt. Chief Controller of Imports and Exports 4, Esplanade East, Calcutta
5. Maharashtra and the State of Gujarat, excluding Kutch and those Districts of Bombay State which were formerly known as Saurashtra.	Joint Chief Controller of Imports and Exports, Central Govt. Offices, New Building S.E. wing, New Marine lines, Church gate Bombay.
6. Districts of the State of Gujarat, which were formerly known as "Saurashtra".	Controller of Imports and Exports, Rajkot.
7. Madras Andhra Pradesh (excluding the districts of Godawari East and West, Guntur, Krishna, Srikakulam and Visakhapatnam.)	Joint Chief Controller of Imports and Exports, Madras.
8. Kerala State and Laccadive, Minicoy and Amindivi Islands.	Dy. Chief Controller of Imports and Exports, Ernakulam.
9. Andhra Pradesh (only districts of Godawari East and West, Guntur, Krishna, Srikakulam and Visakhapatnam.)	Controller of Imports and exports Visakhapatnam.

APPENDIX 4—*contd.*

Area where these Income-tax Officers granting the Income-tax Verification Certificates are stationed.	Authority to whom Application for allotment of number should be made.
10. Assam, Manipur and Nagaland NEFA .	Asstt. Controller of Imports and Exports, Shillong.
11. Goa, Daman & Diu, and Dadra and Nagar Haveli.	Deputy Chief Controller of Imports and Exports, Panjim (Goa).
12. Mysore State	Controller of Imports and Exports, Bangalore.
13. Pondicherry, Kariakal, Mahe and Yanam	Controller of Imports and Exports, Pondicherry.
14. Districts of the States of Gujarat which are formerly known as Kutch including New Kandla Free Trade Zone.	Asstt. Controller of Imports and Exports, New Kandla.

APPENDIX 5
DELETED

APPENDIX 6

(*Vide* para 29 of Chapter III)

QUOTA CERTIFICATE NO.

*1. C. C. I. & E., New Delhi
*2. J.C.C.I & E, Bombay/Calcutta Madras/CLA, New Delhi
*3. D.C.C.I., Ernakulam/Kanpur/Goa.
*4. C.I. & E., Pondicherry, Vizagapatnam/Bangalore/Jammu & Kashmir/Rajkot.
*5. A.C.I. & E., New Kandla/Shillong.

IMPORT TRADE CONTROL

NOT TRANSFERABLE

Certified that Messrs.....

.....

.....have satisfactorily established by means of—

Bills of Entry/Postal, declaration forms and

.....

*Customs Duty receipts with relevant invoices and Bank Drafts

.....

in the prescribed form, that they imported from ..... all ports in India at the port of

goods as per given below during the financial year 19 19

Description of goods.....
Serial No. and Part of the I.T.C. Schedule.....
Quantity .....
Value (c.i.f.) Rs. ..... Rupees .....

(In figures) (In words)

2. This certificate is issued without prejudice to the right of the licensing authority to recall for re-examination of the documentary evidence furnished in support of the above imports.

Seal

Section Officer/
Assistant Controller,
**for C.C. Imports & Exports.*
**for Jt. C.C. Imports & Exports.*
**for Dy. C.C. Imports & Exports*
**Controller of Imports & Exports*
**Asstt. Controller of Imports & Exports.*

.....196

*Score out whichever is not applicable.

APPENDIX 6—*contd.*

Particulars of Import Licences Issued—against the Quota Certificate

(i) Licence No. .....dated.....
for Rs.....for the period.....
issued.

(ii) Licence No. .....dated.....
for Rs.....for the period.....
issued.

(iii) Licence No.....dated. .....
for Rs.....for the period.....
issued.

(iv) Licence No. .....dated.....
for Rs.....for the period.....
issued.

(v) Licence No. .....dated.....
for Rs.....for the period.....
issued.

(vi) Licence No. .....dated.....
for Rs.....for the period.....
issued.

(vii) Licence No. .....dated.....
for Rs.....for the period.....
issued.

(viii) Licence No. .....dated.....
for Rs..... .....for the period.....
issued.

(ix) Licence No. .....dated.....
for Rs.....for the period.....
issued.

(x) Licence No. .....dated.....
for Rs.....for the period.....
issued.

(xi) Licence No. .....dated.....
for Rs.....for the period.....
issued.

(xii) Licence No. .....dated.....
for Rs.....for the period.....
issued.

(xiii) Licence No. .....dated.....
for Rs.....for the period.....
issued.

(xiv) Licence No. .....dated.....
for Rs.....for the period.....
issued.

APPENDIX 7

(*Vide* para 30 of Chapter III)

Form of Affidavit

**Form of Affidavit to be produced in cases where the Custom Copy of the Bill of Entry has been lost or misplaced and the Exchange Control Copy thereof or a true copy of the Bill of Entry certified by the Cutoms Authorities is produced as evidence of past imports.

"I/We solemnly declare that the Customs Copy/Exchange Control Copy of the Bill of Entry Cash No .....dated.....has been lost or misplaced without having been produced for getting a licence for the same goods or for some other goods or for any other purpose to any licensing authority. The Exchange Control Copy/Customs Certified Copy of Bill of Entry is therefore produced for purposes of calculation of quota. The Customs Copy/Exchange Control Copy of the Bill of Entry in question if traced or found later will not be produced in future to obtain a licence for the same goods or some other goods, to the same licensing authority or to any other authority."

(Para 264 of Chapter XVI)

(i) Form of affidavit for obtaining duplicate copies of licences and Customs Clearance Permits which are lost or misplaced.

"I/We hereby solemnly affirm and declare that customs purposes copy/exchange purposes copy/both copies of licence No ..... issued to me/us for the import of ..... from ..... has been lost/misplaced without having been registered with any customs authority and utilised at all/after having been registered with ....(Customs House) ..... and utilised partly. The total amount for which the licence was issued is Rs..... and the total amount for which the original copy/or duplicate copy, if any issued was utilised is Rs..... The duplicate copy now required is to cover the balance of Rs..... I/We further solemnly affirm and declare that the said licence has not been cancelled, pledged, transferred or handled over by me/us or on my/our behalf to any other party for any purpose/consideration whatsoever and request to cancel the original licence *in lieu* of which the duplicate copy has been applied for by me/us. I/We agree and undertake to return the original licence, if traced later, to the issuing authority for records."

(Para 42 of Chapter III)

(ii) Form of affidavit to be produced in cases where the quota certificates issued by the licensing authorities are lost or misplaced.

**This affidavit should be submitted on stamped paper, for the value prescribed in applicant's state.

APPENDIX 7—*contd.*

"I/We hereby solemnly declare that quota Certificate No..... dated.....granted to me/us, by DCCI & E/JCCI & E .....for.....(S. No.....) for Rs. .....during the year.....on the basis of past imports made during the basic year.....has been lost or misplaced without its being produced before any licensing authority for getting an import licence for the same or any other goods or before the S.T.C. or any other authority for obtaining an allotment of imported goods.

I/We hereby further declare that the said quota certificate has not been cancelled, pledged, transferred or handed over by me/us or on my/our behalf to any other party for any purpose/consideration whatsoever and that the original quota certificate if traced later, will not be produced in future before any licensing authority to obtain a licence or for allotment of imported goods from S.T.C. or any other authority but will be surrendered to the licensing authority concerned for cancellation. I/We further solemnly declare that to the best of my/our knowledge and belief the said quota certificate was utilised by me/us upto the licensing period..... etc."

(*Vide* para 46 of Chapter III)

*CERTIFICATE I.**

Certified that we ..... with Head Office at ..... and Branches at ..... have for the purposes of import of ..... from ..... selected ..... as the common basic year and the quota certificate hereto appended is based on previous imports in this common basic year.

---

*CERTIFICATE II.**

Certified that we ..... with Head Office at ..... and Branches at ..... have for the purpose of imports of ..... from ..... selected ..... as the common basic year and that we have not yet obtained revised quota certificates based on imports in this common basic year.

*Not necessary to furnish these certificates on stamped paper.

APPENDIX 8

(Para 54 of Chapter III)

FORM OF APPLICATION FOR RECOGNITION AS ESTABLISHED IMPORTERS AND GRANT OF QUOTA ON CHANGE IN THE OWNERSHIP OF BUSINESS

1. Name of applicant.
   (a) Trade or business name
   (b) Address
   (c) Names of branches, if any, with their addresses
   (d) Ownership, whether
      (i) individual
      (ii) partnership
      (iii) karta of undivided family
      (iv) limited company
      (v) any other association or body of individuals.
   (e) Names of individuals in case of (i), (iii) and (v) above names of partners in case of (ii) above and names of directors in case (iv) above.

NOTE.—In case of (ii), the partnership deed should be sent with the application.

2. (a) Trade or business name and address of the established importer whose quota is sought to be transferred either wholly or in part.
   b) Names of branches, if any, with their addresses. The details of branches closed in the past may also be furnished.
   (c) Whether the established importer in (a) above was
      (i) an individual
      (ii) a partnership
      (iii) a karta of a Hindu undivided family in respect of the family business
      (iv) limited company
      (v) any other association or body of individuals.
   (d) Names of the individuals in case of (i), (iii), (v) above, names of partners in case of (ii) and names of directors in case of (iv) above.

NOTE.—In case of (ii), the partnership deed should be sent with the application.

3. Date on which the business in (2) (a) above was first established.

APPENDIX 8—*contd.*

4. The last transfer, if any, of quota allowed previously in respect of the business, and the number and date of the order allowing such transfer.

5. Mention changes in the ownership of the business due to admission retirement or death of partners or transfer of business or any other reason whatsoever since 1-4-1951, or date given in item (3) above or the date mentioned if any, in item (4) above, whichever is latest.

6. Why was no application made for recognition of the change mentioned in (5) above?

7. Particulars of licences, if any, obtained without obtaining recognition of change (*i.e.*, licence number, name of commodity, value of licence, licensing period and licensing authority).

8. Particulars of the quotas sought to be transferred (i.e., Number, date and value of quota certificate, the name of commodity and the basic year as mentioned therein and the licensing authority).

9. Whether there is any order in force against the said established importer under clause 8 or 8A of the Imports Control Order, 1955 or clause 8 or 8A of the Exports Control Order, 1962 suspending issue of licences or debarring him from receiving licences, and the number and date of the order.

10. The share which applicants claim in the quota of the established importer and any reason for the same.

11. List of documents enclosed with the application:

1.....

2.....

3.....

4.....

I/We hereby declare that the above statements, are true and correct to the best of my/our knowledge and belief. I/We fully understand that the transfer/division of quotas if and when granted to me/us on the basis of Statements furnished is liable to cancellation without prejudice to any other action that may be taken

against me/us in this behalf, if any of the statements or facts given above are found to be incorrect or false at any stage.

Date .....

Signature.....

Name in Block Letters

.....

Designation.....

Residential Address .....

.....

.....

APPENDIX 9

(Para 54 of Chapter III)

JURISDICTION OF LICENSING AUTHORITIES FOR RECOGNITION OF NEW ESTABLISHED IMPORTERS AND GRANT OF QUOTAS

Authority to whom applications for recognition of new established importers and grant of quotas should be made.	Jurisdiction
1. Joint Chief Controller of Imports & Exports (Central Licensing Area), Indraprastha Bhawan, 'A' Wing, New Delhi.	States of Himachal Pradesh, Delhi, Rajasthan, Jammu and Kashmir, Haryana and Punjab.
2. Joint Chief Controller of Imports and Exports, 4, Esplanade East, Calcutta.	States of Assam, Bihar, Orissa, West Bengal, Manipur, Tripura, Andaman and Nicobar Islands and Nefa.
3. Joint Chief Controller of Imports and Exports, Central Govt. Offices, New Building, S.E. Wing, New Marine Lines, Churchgate Bombay.	States of Maharashtra, Gujarat and Madhya Pradesh.
4 Joint Cheif Controller of Imports and Exports, Madras.	States of Madras (excluding Coimbatore District) Andhra Pradesh and Mysore (excluding Mangalore District) French Establishment in India, namely, Pondicherry, Karaikal, Mahe and Yanam.
5 Deputy Chief Controller of Imports and Exports, Panjim (Goa).	Goa, Daman and Diu.
6. Deputy Chief Controller of Imports and Exports, Ernakulam.	Kerala State, Coimbatore Distt. of Madras State, Mangalore Distt. of Mysore State and Lacadive, Minicoy and Amindivi Islands.
7. Deputy Chief Conroller of Imports and Exports, Kanpur.	Uttar Pradesh.

APPENDIX 10

(Para 73 of Chapter IV)

Names of Sponsoring Authorities

Industry	Sponsoring Authority
1. (*a*) Textile industry other than jute, hemp and silk] (*b*) Textile engineering industry	Textile Commissioner, Bombay.
2. Tea Industry	Chairman, Tea Board, Calcutta.
3. Coffee Industry	Chairman, Coffee Board, Bangalore.
4. Sugar Industry	Director (Sugar Technical) Directorate of Sugar and Vanaspati, Ministry of Food, Agriculture, Community Development and Cooperation New Delhi.
5. Rubber Estate	Chairman, Rubber Board, Kottayam.
6. Petroleum Industry	Ministry of Petroleum and Chemicals, New Delhi.
7. Producers of iron and steel and re-rolling mills, excluding re-rolling mill etc., which do not require the permission of Iron and Steel Controller as per Govt. of India former Ministry of Steel, Mines and Fuel (Deptt. of Iron and Steel) Notification No. SC(A)-I(28)/59, dated the 4th June, 1960.	Iron and Steel Controller, Calcutta.
8. Collieries.	Coal Controller, Calcutta.
9. Electricity undertakings.	Central Water and Power Commission (Power Wing) Government of India Bikaner House, Shahjahan Road, New Delhi.
10. Silk Industry	Central Silk Board, Bombay
11. Handloom Industry	State Directors of Handlooms.
12. Vanaspati Industry.	Chief Director, Directorate of Sugar and vanaspati, Ministry of Food, Agriculture, Community Development and Cooperation New Delhi.
13. Coir Industry.	Chairman, Coir Board, Ernakulam.
14 Shipping Industry/Shipping Companies (In respect of sea going vessels). The requirements in respect of inland steam and motor vessels will be certified by the Principal Officer, Mercantile Marine Department of the area concerned.	Director General of Shipping, Bombay.
15. $$Fruits and vegetable preservation industry including cold storages.	Director General Technical Development/ Directorate of Marketing & Inspection, Ministry of Food, Agriculture,, Community Development and Cooperation Department of Agriculure, Nagpur.

$$The, actual user should submit his application to the Directorate of Marketing and Inspection, Ministry of Food, Agriculture, Community Development and Cooperation, Department of Agriculture, Nagpur, who will forward the same with his recommendation to the Director General Technical Development.

APPENDIX 10— *contd.*

Industry	Sponsoring Authority
16. Jute and Rope Industry (using sisal or manila)	Jute Commissioner, Calcutta.
17. Mines other than collieries.	Controller, Indian Bureau of Mines, Nagpur
18. Canning freezing and other fishery industries.	State Directorate of Fisheries.
9. Pharmaceutical Industry	State Drugs Control authorities (as given in Appendix 12 to this book)
20. Salt Industry in the private sector.	Salt Commissioner, Jaipur.
21. Starch Industry.	Director General Technical Development.
22. Cardamom plantation.	Cardamom Board, Ernakulam.
23 Industries other than those mentioned above.	Industries Commissioner or the State Director of Industries as the case may be, of the State where the factory is located.

APPENDIX 11

(Para 73 of Chapter IV)

LIST OF INDUSTRIES

(Ancillary units engaged in these industries with capital investment upto 10.0 lakhs will be treated as SSI units)

1. Industrial Machinery.
2. Agricultural and Earth Moving Machinery.
3. Machine Tools.
4. Industrial, Scientific and Mathematical Instruments (Mechanical).
5. Locomotives and Rolling Stocks, Ships and Aircrafts
6. Bicycles.
7. Boilers and Steam-generating Plants.
8. Steam Engines, Turbine and Internal Combustion Engines
9. Automobiles.
10. Commercial Office and Household equipment.
11. Electrical Machinery, Equipment and Appliances
12. Tele-communication equipment.
13. Industrial Instruments (Electrical).
14. Radios and Electronic Equipment.
15. Air-conditioners and Cold Storage equipment including Refrigerators.
16. Mineral Oil and Petroleum Industries.

NOTE.—In regard to item No. 11 *viz.* Electrical Machinery, Equipment & Appliances, Emphasis should be mainly on electrical machinery rather than on appliances, which would cover also those of consumer type, the scope for the development of which is somewhat limited at present.

In regard to item No. 16 *viz.* Mineral Oil & Petroleum Industries only such small scale units which serve as ancillaries to large scale unit engaged in the manufacture of the equipment for the marketing of the refined petroleum products should be encouraged.

CRITERIA FOR ANCILLARY UNITS

A unit which produces parts, components, sub-assemblies and tooling for supply against known or anticipated demand of one or more large units manufacturing/assembling complete products and which is not a subsidiary to or controlled by any large unit in

regard to the negotiation of contracts for supply of its goods to any large unit. This shall not, however, preclude an ancillary unit from entering into an agreement with a large unit giving it the first option to take the former's output.

The units which are set up primarily for replacement market also fall within the scope of the above criteria. Units manufacturing Tools, Jigs & Fixtures will also be recognised as ancillary units

APPENDIX 12

(Para 76(2) of Chapter IV)

LIST OF STATE DRUGS CONTROL AUTHORITIES

1	2	3
1	Andhra Pradesh	Drugs Controller and Director, Medical Services, Andhra Pradesh, Hyderabad.
2	Assam	Drugs Controller, and Director of Health Services, Assam, Shillong.
3	Bihar	Drugs Controller and Director of Health Services, Bihar, Patna.
4	Gujarat	Director, Drugs Control Administration, Gujarat State, Ahmedabad-1.
5	Haryana	Drugs Controller, Haryana, Chandigarh.
6	Kerala	Drugs Controller and Director of Health Services, Kerala, Trivandrum.
7	Madhya Pradesh	Drugs Controller, Madhya Pradesh, Directorate of Health Services, Moti Bungalow Indore.
8	Maharashtra	Director, Drugs Control Administration Maharashtra State, 127, Mahatma Gandhi Road, Fort, Bombay-1.
9	Madras	Drugs Controller and Director of Medical Services, Madras State 79-81, Mount Road, Madras.
10	Mysore	Drugs Controller, Mysore State, Seshadri Road, Bangalore.
11	Orissa	Drugs Controller and Director of Health Services, Orissa, Bhubneshwar.
12	Punjab	State Drugs Controller, Punjab, Directorate of Health Services, Old Secretariat, Chandigarh.
13	Rajasthan	Drugs Controller and Director of Medical and Health Services, Rajasthan, Jaipur.
14	Uttar Pradesh	Drugs Controller and Director of Medical and Health Services, Uttar Pradesh Lucknow.
15	West Bengal	The Director, Drugs Control, West Bengal College Square West, Calcutta-7.
16	Delhi	Drugs Controller and Superintendent, Medical Services, Delhi Administration, 15 Alipur Road, Delhi-6.
17	Goa	Drugs Controller, Goa, Panjim.
18	Himachal Pradesh	Drugs Controller and Director of Health Services, Himachal Pradesh, Simla
19	Manipur	Drugs Controller and Director of Medical and Health Services, Manipur, Imphal.
20	Pondicherry	Drugs Controller, Pondicherry.
21	Tripura	Drugs Controller and Superintendent, V.M Hospital and I/C Health Directorate Agartala.
22	Jammu and Kashmir	Drugs Controller of Jammu and Kashmir, Srinagar.

APPENDIX 13

(*para* 89 (3) *of* CHAPTER IV)

Register for maintenance of consumption and stocks by actual users.

S. No.	Date	Description of item	Receipts (Stock)				Issue (Consumption)				Remarks
			Opening balance	Qty. of fresh stock received	Name of Supplier	Import Licence No. & date against which stock is imported	Date	Qty.	End used	Product in which Closing Batch No. also Balance to be shown in the case of Pharmaceutical Units)	

APPENDIX 14

DELETED

APPENDIX 15

(*para* 100 *of* CHAPTER V)

Form of application for Registration

To

_____

_____

_____

Dear Sirs,

SUB:—*Registration under the Import Policy for Registered exporters*

Kindly register us under the above policy as Manufacturer exporters/Merchant exporters of.....(the major products covered by the import policy for registered exporters exported by the applicant may be mentioned here)

1. (a) Name and address (with telegraphic address and telephone No.) of Registered office, Head office and Branches.

(b) Whether Proprietory/Partnership concern or private/Public Limited Company or Cooperative Marketing Society, etc. (Names of Proprietors/Partners/Directors/Managing Directors should be furnished with their permanent addresses).

(c) Names of the associate firms for whom the applicants act as agents in export business.

(d) Name and address of the applicant's banker.

(e) Income-tax Verification Number and date.

(i) Date of establishment of business/factory in India.

(ii) Date of commencement of export business.

(iii) Capital employed.

3 Weather licensee/registered under the Industries (Development and Regulation) Act. If so, number and date of licence/registration certificate.

4 Whether products manufactured are on approved (DGS&D) rate/running contract, I.S.I. certification marked G.T.H. Alipore tested or otherwise quality controlled (Specify the scheme of Quality Control applicable.)

5 Whether enlisted with D.G.T.D./State Director of Industries.

6 (a) Details of past exports during the last three years, if any, (products for which registration is sought and other products/not covered by the scheme should be indicated):—

Year	Description	Quantity of value	Unit value	Major countries in which exported

(In case where there is no export, statement or internal sales turnover for the last three years of the items desired to be exported, duly attested by the auditors, should be Submitted).

6 (b) Details of commitment of future export for the succeeding three years :—

Year	Description of goods to be exported	Quantity	Value

7 If new to export field, state details of any overseas market surveys conducted or of export promotional efforts made.

8 Have any complaints been received in respect of quality/delivery/after sales-servicing of goods exported in the past, and if so, how were they disposed of ?

9 If merchant exporter, please indicate what arrangements have been made with manufacturer/manufacturers whose products are to be exported.

10 Export commodities in respect of which registration is sought.

11 Whether the firm is already a registered exporter for some other commodity ? if so, give registration number and details thereof.

12(a) Whether a member of any recognized trade body, if so, give particulars.

(b) Whether firm is registered under the Factories Act ? If so, registration No. and date.

(c) Whether the firm holds a Corporation or Municipal licence for his factory premises for the current year ?

13 A certificate from the applicant's bankers certifying the financial position.

We hereby solemnly declare the above stated information to be true and correct and undertake without any reservation to :—

(i) abide by the terms of the Registration Certificates granted to us on all our exports ;

(ii) use the import licences for the purpose for which they are issued and under the terms and conditions under which they are issued.

(iii) agree to abide by any Code of Conduct that may be prescribed by.....

(iv) Furnish without fail monthly returns of exports including nil returns by the 5th of the following month.

(v) We further understand that our registration is liable to be cancelled in the event of breach of any of the undertakings mentioned above.

Yours faithfully,

Name in Block Letters.....

.....

Designation.....

Residential Address

APPENDIX 16

(*para* 116 *of* CHAPTER VI)

The following machinery and component parts thereof falling under Serial Nos. 4 and 5 of Part III of the Import Trade Control Schedule and all goods not mentioned hereunder but falling under Serial Nos. 4(1), 4(2), 4(3), 4(4) and 4(5) of Part III of the I.T.C. Schedule, when required by the Cotton Textile Industry.

(Note 1.—Component parts are those parts which are Illustrated in the Original machinery makers' catalogues. Note 2.—The letter (P) denotes productive machinery.)

(A) COTION SPINNING MACHINERY

(i) Mixing and Blow Room Machinery

(ii) Card Room Machinery

(a) Carding Engines.

(b) Card Grinding & Mounting Equipments.

(c) Vacuum Stripping Plants for Carding Engines.

(iii) Combing Machinery

(a) Ribbon Lap Machines.

(b) Silver Lap Machines.

(c) Lap-former.

(d) Comber.

(e) Re-Needling Equipment.

(iv) Drawing Frames and Speed Frames

(a) Drawing Frames.

(b) Lap Winders.

(c) Lap Drawing Frames.

(d) Slubbing Frames.

(e) Single passage Speed Frames (High Draft).

(f) Simplex Fly Frames.

(g) Intermediate Frames.

(h) Roving Frames.

(i) Jack Roving Frames.

(v) Spinning Room Machinery

(a) Warp & Welft Ring Frames. (P)

(b) Mules. (P)

(c) Doubler Winding Machines, Ring & Flyer Doubles, Twisters and Double Twisters.

APPENDIX 16—contd.

(d) Tubular, Banding & Braiding Machines. (P)
(e) Roller Covering, Grinding & Mounting Equipments.
(f) Bobbin Stripping Machines.
(g) Yarn Gassing Machines.
(h) Reels.
(i) Bundling Presses.
(j) Yarn Polishing Machines.
(k) Yarn Conditioning Machines.

(vi) Waste Cleaning Machinery
(a) Roving Waste Openers.
(b) Thread Extractors.
(c) Willow Machines.

(B) COTTON WEAVING MACHINERY
PREPARATORY MACHINERY

(i) (a) Winding Machines
Drum Winders, Vertical Spindle Winders, Cheese and Cone Winders, Bottle Bobbin Winders, Prin Winders, and Spool Winders.

(b) Warping Machines
Beam Warping Machines, Ordinary Creels, Magazine Creels, Sectional Warping Machines, Beaming Machines.
Super speed warping machine.

(c) Sizing Machines
(i) Cylinder Slasher Sizing Machines.
(ii) Multi-cylinder sizing machines.
(iii) Hot and/or Moist Air Drying Sizing Machines.

(d) Wrap Reacher-in-frames (Mechanical and Electrical).
(e) Automatic Warp Tieing Machines.
(f) Drawing-in-frames (mechanical and automatic).

(ii) LOOMS
(a) Plain Looms, Automatic Looms, Tappet Looms, Drop-Box Looms or Circular Box Looms and Circular Looms (P).
(b) Terry Towel Looms. (P)
(c) Tape Looms
(d) Ribbon Looms. (P)
(e) Webbing Looms. (P)
(f) Loom for Waste Yarn Weaving. (P)
(g) Duck Looms, Canvas Looms and Blanket. (P)
(h) Loom attachment such as Dobbies, Jacquards, Warp Letoff Motions, Positive Take-up Motions, Drop Box Motions, Special Tappets, Warp Stop Motions, Card Punching

APPENDIX 16—*contd.*

Machines, Card Cutting Machines, Repeating Machines, Lacing Machines and Automatic Weft Replenishing Attachments for cop or shuttle change.

(C) BLEACHING, MERCERISING, DYEING, PRINTING, FINISHING AND CALENDERING MACHINERY

(i) Bleaching Machines

Gas and Electric Singeing Machines.

Boiling Kiers.

Open width Kiers (Desizing Machines)

Bleaching Croft Washing Machines.

Rope Washing Machines.

Piling Machines.

Chemicking and Souring Equipment.

Squeezer.

Scutcher.

Water Mangle.

(ii) Mercerising Machines.

Chain and Chainless Mercerising machines with Impregnating Mangle.

Caustic Lye Cooling Plant.

Cylinder Drying Machines.

Automatic Piling Apparatus.

Caustic Soda Recovery, Range.

Hank yarn Mercerising Machines with Cooling Plant.

(iii) Dyeing Machines.

Hank Dyeing Machines.

Cheese Dyeing Machines.

Cone Dyeing Machines.

Beam Dyeing Machines.

Loose Cotton Dyeing Machines.

Card Silver & Flyer Bobbin Dyeing Machines & Plants with Pumping Arrangement and Lifting and Travelling (Mechanical or Electrical).

Hoists for material Carriers.

Dyeing Jiggers—Ordinary and Automatic.

Padding Mangles.

Wince Dyeing Machines.

Hot Air Drying Machines with Cylinders/or Chambers.
Hydro-extractors (Centrifugal and Open Width).
Continuous Dyeing Machines.

APPENDIX 16—contd.

Khaki, Aniline and Sulphur Dyeing Plants consisting of:

Padding Mangles.

Vertical Drying Machines.

Agers.

Dye Jiggers.

Washing Range.

Open Soapers.

Cylinder Drying Machines.

(iv) Printing Machines

Brushing, Shearing and Cropping Machines.

Stentering Machines.

Colour Pans.

Mandrel Forcing Press.

Laboratory Printing Machines.

Roller Printing Machines.

Screen Printing Machines.

Cylinder Drying Machines.

Hot Air Drying Machines or Hot Flues.

Aging Machines.

Washing Machines.

Open Soaping and Washing Machines and Rope.

Soaping & Washing Machines.

(v) Finishing Machinery.

Starch Mangle.

Back Filling Mangle.

Cylinder Drying Machines, Hot Air Drying Machines.

Stentering Machines (Pin Clip and Jig).

Belt Stretching Machines.

Palmer Stretchers.

Starching Machines.

Beetling Machines.

Spray Damping Machines.

Brush Damping Machines.

Sanforizing Machines.

Raising Machines.

Cloth Brushing Machines.

(vi) Calendering Machines.

Friction Calendering Machines.

Sweezing and Chasing Calender Machines.

APPENDIX 16—contd.

Schreiner Calender.
Embossing Calenders.
Finishing Calenders.
Universal Calenders.
Felt Calenders.

(D) PACKING AND FOLDING MACHINERY

Folding Machines.
Inspecting and Measuring Machines.
Stamping Machines.
Combined Coeasing, Lapping, Rolling & Measuring Machines.
Ball Press.

(E) COTTON WASTE SPINNING

(i) Opening and Cleaning Machinery.

Hard Waste Breaker Machines.
Premier Opener Machines.
Pickering Machines.
Rag Tearing Machines.
Tenter Hook Willow Machines.
Spiral Willow Machines.
Waste Hopper Feeders and Scutchers.

(ii) Carding and preparatory to spinning machinery.

Breaker carding Engine with or without Hopper
Feeder Finisher Carding Engines either with Condensers or Ring.
Doffers.
Derby Doublers.
Slubbing Frames.
Intermediate Frames.

(iii) Spinning Machinery.

Mule Spinning Machines.	(P)
Ring Spinning Machines.	(P)
Condenser Spinning Machines.	(P)
Chappon Frames.	(P)
Box Frames.	(P)

(F) KNITTING MACHINERY

(i) Knitting Machines.

Circular Machines.	(P)
Rib Top Machines.	(P)
Linking Machines.	(P)

APPENDIX 16—contd.

Flat-Bed Machines. (P)
Tricot Knitting Machines. (P)
Warp Knitting Machines. (P)
Mosquito Net Manufacturing Machines. (P)
Fishing Net Making Machines. (P)
Raschel Knitting Looms.

(ii) Stitching Machines.
Overlock Machines with Cutters.
Chain Stitching Machines.
Hem Stitching Machines.
Flat Lock Machines.

(iii) Dressing Frames and Guillotine Cutters.

(iv) Embroidery Machines.

(G) TESTING ROOM MACHINES

Fibre, Silver, Yarn and Cloth Testing Machines and Apparatus for testing staple length convolutions, crimps, twists, counts, moisture content, tensile strength, bursting, wearing and tearing.

(H) HUMIDIFYING AND AIR CONDITIONING EQUIPMENT AND APPARATUS.

(I) MATERIAL HANDLING AND CARRYING EQUIPMENTS.

(J) PNEUMATIC UNDER CLEARER ATTACHMENTS.

(K) AUTOMATIC FEED LUBRICATION SYSTEMS.

(L) POWER PLANTS

(i) Steam Engines, Turbines & Turboalternators.

(ii) Steam Boilers, Economisers, Superheaters, Feed Pumps, Mechanical Stokers, Pulverisers and Fuel Burning equipments.

APPENDIX 17

[para 118(4) (d) of Chapter VI]

LIST OF KEY INDUSTRIES

1. Pig Iron.
2. Alloy Steel.
3. Ferro-Chrome and other Ferro-Alloys except Ferro-Manganese and Ferro-Silicon.
4. Malleable Iron Castings.
5. Steel Castings.
6. Steel Forgings.
7. Structurals (Heavy).
8. Industrial Machinery.
9. Cranes.
10. Machine Tools including Small Tools Dies, Jigs and Fixtures.
11. Automobile Ancillaries.
12. Coated Abrasives.
13. Electric Winding Wires.
14. Fertilisers.
15. Sulphuric Acid.
16. Caustic Soda and Soda Ash.
17. Rubber Chemicals.
18. Petro. Chemicals including Synthetic Rubber.
19. Pesticides.
20. Paper & Paper Board.
21. Cement.
22. Pulp (Cellulosic).

APPENDIX 18

(para 121 of Chapter VI)

Utilisation report for the half year ending .....

.....

1. Name and address of the licensee .....

.....

2. No. and date of the licence. .....

3. Brief description of the goods .....

4. Total value of the licence: Rs. .....

5. Value of the goods imported during the half year under report:—

Date of Import	*Value in Rs.*	*Port of clearance*
1.	2	3

6. Balance value unutilised in the Customs copy of the licence at the end of the half year under report. Rs. .....

7. Details of remittances made against the licence during the half year under report.

Date of remittance.	*Value in Rs.*

8. Unutilised balance in the Exchange Control Copy of the licence at the end of the half year under report. Rs. .....

.....

9. Date of expiry of the validity period of the licence including the period of revalidation, if any.

I/We hereby certify that the particulars furnished above are true to the best of my/our knowledge and belief.

Date .... Signature of the licensee .....

APPENDIX 19

(para 218 of Chapter XII)

FOR CUSTOMS PURPOSES
FOR EXCHANGE CONTROL PURPOSES
LETTER OF AUTHORITY

Subject to the conditions prescribed below M/s. .....
.....
holders of Licence No. ..... dated ..... (hereafter referred to as the said LICENSEE) are hereby authorised to permit M/s. .....
(Indentor/or Commission Agents/Dealers) on their behalf to import goods and to open letter of credit and make remittance of foreign exchange against the said licence to the extent of Rs. .....
quantity ..... of the goods (description) .....
.....as per the said licence.
This letter of authority has been issued subject to the conditions laid down in Chapter XII of the Import Trade Control. Hand Book of Rules and Procedure 1967. This letter of authority is valid from the date of its issue.

Section Officer/Asst. Controller,
for Chief Controller of Imports and Exports.

DATED .....
FILE NO. .....

This letter of authority is issued subject to the following conditions:—

(a) The person or concern in whose favour it has been issued will act purely as an Agent of the Licensee and the goods imported will be the property of the licence-holder both at the time of clearance through the customs and subsequent thereto. The licence holder will have to ensure that the goods on importation will be delivered to him and shall not be disposed of otherwise. The licensee shall not cause or permit the holder of Letter of Authority to dispose of the goods.

(b) The holder of the letter of authority shall clearly indicate on all the relevant customs documents including the Triplicate copy of the Customs Bill of Entry that the goods have been imported by him on behalf of the licensee. This endorsement will be duly attested by the Customs Authority.

(c) The holder of the Letter of Authority shall not under any circumstances be entitled to any quota licences on the basis of these imports.

Section Officer/Asst. Controller,
for Chief Controller of Imports and Exports.

APPENDIX 20

Open General Licence No. IV

(para 196(1) of Chapter XI)

GOVERNMENT OF INDIA, MINISTRY OF COMMERCE AND INDUSTRY, IMPORT TRADE CONTROL ORDER NO. 2/61, DATED THE 28TH FEBRUARY, 1961 AS AMENDED REGARDING OPEN GENERAL LICENCE NO. IV.

The following Open General Licence issued by the Central Government under the Imports and Exports (Control) Act, 1947 (XVIII of 1947) in supersession of Open General Licence No. IV published with the Ministry of Commerce and Industry Import Trade Control Order No. 3/58, dated the 31st March, 1958, is published for general information:—

IMPORT TRADE CONTROL—OPEN GENERAL LICENCE No. IV.

In exercise of the powers conferred by Section 3 of the Imports and Exports (Control) Act, 1947 (XVIII of 1947), as in force in India and as applied to the State of Pondicherry, the Central Government hereby gives general permission for the importation from any country in the world except the Union of South Africa, until further notice, of the following:—

(i) free gifts of books upto the value of Rs. 400 in favour of individuals or institutions;

(ia) free gifts of trade catalogues and circulars upto the value of Rs. 400/-,

(ib) free gifts of books containing technical know how, literature for construction work, and manuals containing manufacturing processes and scientific data by industrial concerns for their own use upto the value of Rs. 400;

(ii) Blue prints and Drawings (including Micro-films which are photographic reductions thereof) relating to Machinery and Plant sites, works and buildings and which are supplied free of charge and are of no commercial value; and

(iii) any goods included in Schedule I to the Import Control order, 1955 and which:—

(A) are *bona fide* technical and trade samples supplied free of charge, not exceeding Rs. 800 in *c.i.f.* value in one consignment, or bonafide advertising matter, supplied free of charge not exceeding Rs. 400 in *c.i.f.* value in one consignment, excepting "vegetable seeds" falling under Sr. No. 36 and "new drugs" as defined in rule 30-A of the Drugs Rules 1945, falling under Sr. Nos. 87 and 109 of Part IV of the Import Trade Control Schedule:

Provided that such samples or advertising matter are not sold by the importer; or

APPENDIX 20—*contd.*

(B) are supplied free of charge in replacement of goods previously imported which have been found to be defective or otherwise unfit for use:

Provided that—

(1) the defect in the goods previously imported is noticed before the clearance of the goods from the Customs House and is brought to the notice of the Customs authorities and it is proved to the satisfaction of the Customs authorities that the goods so found defective or otherwise unfit for use, are actually returned to the manufacturer or consignor if the manufacturer or consignor has agreed to replace the goods free of charge on this condition; or

(2) the shipments of such goods are made within six months from the date of clearance of the previously imported goods from the Customs House and the following documents are produced before the Customs authorities, namely:—

(a) original letter from the foreign suppliers stating that such goods are being supplied free of cost;

(b) a survey certificate issued by Lloyds Agents or any other authorised insurance surveyors that the goods were actually received in defective condition and required replacement; and

(c) evidence to show that the goods found defective or otherwise unfit for use have actually been returned to the manufacturer or consignor if the manufacturer or consignor has agreed to replace the goods free of charge on this condition.

Provided further that where there is a guarantee period for the previously imported goods, being machines, and such guarantee period is more than six months, shipments of the goods, being machines or parts thereof, in replacement of the goods previously imported are made within the guarantee period and the following documents are produced before the Customs authorities, namely:—

(a) original letter from the foreign suppliers stating that such goods are supplied free of cost;

(b) a certificate from a qualified engineer to the effect that the machine or part thereof is considered unfit to be used for the purpose for which it is intended;

(c) evidence showing the date of previous importation of the machinery and the period of guarantee given by the foreign manufacturer or supplier;

(d) evidence to show that the machine or part thereof, found defective or otherwise unfit for use, has actually been returned to the manufacturer or consignor if the manufacturer or consignor has agreed to replace the goods free of charge on this condition.

This licence is without prejudice to the application to any goods of any other prohibition or regulation affecting the import that may be in force at the time when such goods are imported.

APPENDIX 21

PASSENGERS (NON-TOURIST) BAGGAGE RULES

CUSTOMS NOTIFICATION NO. 122, DATED 19-11-1960, PUBLISHED IN THE GAZETTE OF INDIA ON 19-11-1960 AS AMENDED BY CUSTOMS NOTIFICATION NO. 21 OF 2-2-1963, AND PUBLISHED IN THE GAZETTE OF INDIA ON 2-2-1963 AND FURTHER AMENDED BY CUSTOMS NOTIFICATION DATED 23-6-1965, 9-6-1965 AND 27-7-1966.

DEPARTMENT OF REVENUES

(*Now Central Board of Excise & Customs*)

NOTIFICATION CUSTOMS

In exercise of the powers conferred by section 75 of the Sea Customs Act, 1878 (8 of 1878), as in force in India and as applied to the State of Pondicherry, the Central Board of Revenue hereby makes the following rules for passing free of import duty baggage landed at Customs Sea-ports by passengers from foreign ports, other than those in Ceylon or Pakistan, namely:—

(1) These rules may be called the Passengers (Non-Tourist) Baggage Rules, 1960.

(2) They shall come into force on the 1st January, 1961.

(3) They shall not apply to those passengers to whom the Tourist Baggage Rules, 1958, apply.

2. The *Bonafide* baggage of a passenger may be exempted from Customs duty upto the extent specified in these rules where such baggage accompanies the passenger, does not form part of the cargo, is not included in the manifest and, unless the proper officer of Customs in any case otherwise directs, is declared in the proper form.

3. In the case of a husband and wife travelling together, separate allowances upto the extent specified in these rules may be admitted.

4. (1) The used personal wearing apparel of a passenger, and other articles in the immediate personal use of the passenger, may be, allowed free of duty, provided that they are his property, were in his possession abroad, and are imported by him for his own personal use and not for sale, exchange or gift.

Explanation.—"Articles in the immediate personal use of the passenger means articles which are worn by the person, such as spectacles, hearing aides, and dentures, but shall not include wrist watches and jewellry.

(2) Such instruments, apparatus or appliances, as are specially designed for use in the profession or calling followed by a passenger and which any person following the same profession or calling would usually carry with him in his professional tour when imported by the passenger as part of his

APPENDIX 21—*contd.*

bonafide baggage may be allowed to be imported free of import duty leviable thereon:—

Provided that the instruments, apparatus or appliances:—

(i) has been actually used by the passenger before the importation thereof; and

(ii) shall not be sold, exchanged or given away as gift after the importation thereof.

5. In addition to the articles specified in rule 4, a passenger may also be allowed to import free of duty, at the discretion of the proper officer, articles not exceeding rupees eight hundred in value, provided that the articles are not imported for sale or exchange and are such as could reasonably be treated as baggage or are of a kind normally used for making gifts or souvenirs. In the case of passenger who is coming or returning to India after a stay of not less than 3 months abroad, the value of the articles which can be passed under this rules may be increased by rupees one hundred and sixty for each complete month in excess of 3 months, subject to a maximum of rupees one thousand and six hundred in all. A passenger shall not be permitted under this rule to import without payment of duty a large number of units of the same article, even though their total value may be within the free allowance.

Notwithstanding anything contained in the first paragraph of this rule, a passenger, who visits foreign countries more than once in the same calendar year, may be allowed on the second and subsequent occasions only one-half of the allowance admissible under that paragraph.

The full free allowance under this rule is not admissible to children or to passengers under eighteen years of age. The proper officer may, however, in his discretion, allow to such a child or passenger articles not exceeding one-fourth of that admissible to an adult passenger coming after the same period abroad.

6. Jewellery in the actual use of a passenger may be allowed free of duty, subject to the following conditions:—

(a) The jewellery is the property of the passenger, was in his possession and use abroad, is imported by him for his own personal use and not for sale, exchange or gift, and will be re-exported with the passenger if he is a temporary visitor to India.

(b) The passenger is coming to India after being abroad for at least one year;

(c) The value of the jewellery does not exceed Rs. 3,200/-:

Provided that the proper Customs Officer may, where he is satisfied by reason of the Status of a Passenger, allow *bona-fide* jewellery in use exceeding Rs. 3,200/- in value to a passenger who is a temporary visitor to India, on taking such steps as he considers

APPENDIX 21—*contd.*

necessary to ensure that the jewellery will be re-exported with the passenger:

Provided further that the proper Customs Office may allow free of duty any *bona-fide* personal jewellery in use, on being satisfied that it was taken out of India by a passenger not more than 3 years previously, and that the jewellery, was and continues to be the property of the said passenger.

NOTE 1.—For the purposes of this rule, the term jewellery shall include not more than one watch, which should be in actual use.

NOTE 2.—The value limits specified in this and the preceding Rule have reference to the real value of the goods under the Sea Customs Act, 1878.

7. (1) Notwithstanding anything contained in Rule 2, *bona-fide* baggage of a passenger landed at any Customs port within two months before or after his arrival in India may be passed, at the discretion of the Customs Collector, subject to the conditions and limits laid down in rules 4 to 6.

(2) The period of two months referred to in sub-rule (1) may be extended by the Customs Collector upto a period of 4 months and by the Department of Revenue beyond a period of 4 months, if the Customs Collector or the Department of Revenue, as the case may be, is satisfied that the failure to import the baggage within the time limit was due to circumstances beyond the passenger's control and that the goods were the property of, and in the possession of the passenger abroad before he left for India.

8. (1) Notwithstanding anything to the contrary in these rules, *bona-fide* baggage shall include,

(a) the personal effects of a passenger who dies on the way to India, and

(b) article imported by a passenger and proved to the satisfaction of the Customs Collector to have belonged to his or her deceased spouse or other deceased member of the family.

Provided that the effects or articles are such as would have been passed free if the deceased person had been a passenger and they had accompanied that person:—

Provided further that the importation takes place within two months of the death of the owner.

(2) The period of two months referred to in sub-rule (1) may be extended by the Customs Collector upto a period of four months and by the Department of Revenue beyond a period of four months, if the Customs Collector or the Department of Revenue as the case may be, is satisfied that the failure to import the baggage within the time limit was due to the circumstances beyond the control of the importer.

APPENDIX 21—*contd.*

9. The Baggage Rules published with the Notification of the Central Board of Revenue No. 296-Customs, dated the 3rd December, 1957, are hereby repealed.

No. 122/F. No. 5/1/60-Cus. VI.

No. 21/F. No. 5/54/61-Cus. VI.
No. 84/F. No. 5/25/66-Cus. VI.
No. 113/F. No. 5/25/66-Cus. VI.
No. 151/F. No. 5/32/66-Cus. VI.

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE AND INDUSTRY
IMPORT TRADE CONTROL
PUBLIC NOTICE NO. 1-ITC(PN)/61

New Delhi, the 2nd January, 1961.

(*as amended*)

SUBJECT:—*Import of goods as personal baggage under the Baggage* Rules.

Attention is invited to the Central Board of Revenue Notification No. 122 dated the 19th November, 1960 in which the baggage rules for import of goods by passengers from foreign ports other than those in Portuguese Possessions in India or in Ceylon or Pakistan have been announced.

2. Under Rule 5 of the said Baggage Rules a passenger may be allowed to import free of duty, at the discretion of the proper Customs Officer such articles as could reasonably be treated as baggage or are of a kind normally used for making gifts or as souvenirs upto Rs. 800/- (Eight hundred) upto stay of 3 months abroad. This limit may be increased if the stay of a passenger exceeds 3 months by Rs. 160/- (One hundred sixty) for each additional complete month subject to a maximum of Rs. 1600/- (one thousand six hundred) in all, upto a stay of 8 months abroad. The said Rule 5 further lays down that the passenger shall not be permitted under the rule to import without payment of duty a large number of the same type of the articles even though their value may be within the free allowance. No import licence will be required for the import of the articles within the above limits. A passenger who visits foreign countries more than once in the same calendar year, may be allowed on the second and subsequent occasions only one-half of the above allowance. The full free allowance under this rule is not admissible to children or to passengers under eighteen years of age. The appropriate customs authority may, however, in his discretion, allow to such a child or passenger articles not exceeding one-fourth of that admissible to an adult passenger coming after the same period abroad.

3. It has now been decided that passengers who stay out of India continuously for 9 months or more may be allowed to import goods upto an *additional* value of Rs. 800/- provided those articles are *bona fide* baggage and of the type mentioned in Rule 5 of the said

APPENDIX 21—*contd.*

Baggage Rules without an import licence but on payment of customs duties.

4. The clearance of one dog and other domestic pets like cats and birds in a limited number (excluding cattle horses, elephants, rhinos, camels, donkeys, mules and the like) may be allowed without import trade control restrictions on furnishing the following health certificates to the Customs authorities:—

(i) A health certificate from a Veterinary Officer authorised to issue a valid certificate by the Government in the country of export to the effect that the dog imported is free from Aujossky's disease, Distemper, Rabies, Leishmaniasis and Leptospiresis and in the case of cats from Rabies and Distemper.

(ii) In the case of import of dogs and cats orginating from countries where Rabies infection is known to exist, a health certificate containing a record of vaccination, the vaccine used, brew of the vaccine and the name of the production laboratory and to the effect that the dog/cat was vaccinated against Rabies more than one month, but within 12 months prior to actual embarkation with nervous tissue vaccine or within 36 months prior to actual embarkation with chicken embryo vaccine, both vaccines having previously passed satisfactory potency tests.

(iii) In the case of parrots, a certificate to the effect that the parrots were subjected to a compliment fixation test for Psittaoosis with negative results within 30 days prior to actual embarkation.

5. The certificates referred to above should be granted within 30 days prior to the date of embarkation of the dog etc.

6 Public Notice No. 83-ITC(PN)/58 of 15th October, 1958 is hereby cancelled.

NOTICE RELATING TO PASSENGERS (NON-TOURIST) BAGGAGE RULES, 1960

This Notice explains the Baggage Rules which will apply to passengers coming or returning to India from 1st January, 1961. Tourists (that is, persons who ordinarily live abroad, and are coming to India for a short stay for pleasure etc.) will be governed by a different set of rules.

2. Under these Rules, a special provision has been made for a few new articles which may be brought as gifts for other persons or as souvenirs (see para 5 below). Excepting for such articles, the exemptions under the rules are admissible only for genuine personal effects of the passenger, which must have been in his use and possession abroad. No exemption can be given for any articles which are intended to be sold or exchanged.

3. The personal clothing which is in the actual use of a passenger will be passed free of duty. Similarly, articles like spectacles,

APPENDIX 21—*contd.*

hearing aids and artificial teeth, which are habitually worn by persons who are in need of them, will be passed free of duty. For these articles no value limit has been laid down. (This provision will not apply to watches and jewellery for which there is a value limit).

4. Jewellery of a value upto Rs. 3,200/-, can be passed free subject to the following important conditions:—

(i) The jewellery must be in the actual use of the passenger. The purchase receipts for the jewellery, where available, should preferably be brought by the passenger.

(ii) The passenger must have been out of India for at least one year.

(iii) No exemption is allowed for jewellery brought for sale, exchange or gift. If the passenger is due to return out of India, he must take all the jewellery back with him.

(iv) No Reserve Bank permit is required for the jewellery brought and passed under the Baggage Rules. However, where jewellery in excess of Rs. 3,200/- is to be taken out of India, a permit from the Reserve Bank will be required. A temporary visitor is not required to take a Reserve Bank permit for the jewellery brought by him or for its subsequent re-export out of India.

(v) Crude jewellery made mainly or wholly of gold will not be passed as baggage but will be treated as gold bullion, the import of which is not allowed without a special permit from the Reserve Bank of India.

N.B.—(a) A passenger returning to India after less than one year abroad, can bring back free of duty any jewellery belonging to him which he had taken out of India. In order that passengers may not find it difficult to satisfy the Customs Officers in such cases, they should invariably obtain export certificates for the jewellery at the time of leaving India, unless the jewellery is of small value, *i.e.* less than Rs. 1,600/- in the case of ladies and Rs. 800/- in the case of men.

(b) One wrist watch, in the actual use of the passenger will be treated as jewellery and will be included in the value limits indicated above.

5. In addition, a passenger can also be allowed free of duty other articles to a limit of Rs. 800/- in value. Such articles should not be imported for sale or exchange, but should be in the nature of baggage or gifts or souvenirs. This concession will be allowed only at the discretion of the Customs authorities, and will be refused if from the nature or quantity of the articles brought it appears that these conditions are not fulfilled. A passenger shall not be permitted under this rule to import without payment of duty a large number of units of the same article, even though their total value may be within the free allowance.

APPENDIX 21—*contd.*

N.B.—(i) Where a passenger is coming or returning to India after at least three months' stay abroad, the value of Rs. 800 mentioned above may be increased according to the scale shown below:—

Less than 4 months	Rs. 800
4 months or more but less than 5 months ..	Rs. 960
5 months or more but less than 6 months ..	Rs. 1,120
6 months or more but less than 7 months ..	Rs. 1,280
7 months or more but less than 8 months ..	Rs. 1,440
8 months or more	Rs. 1,600

(ii) Notwithstanding anything contained in the first paragraph of this rule, a passenger, who visits foreign countries more than once in the same calender year, may be allowed on the second and subsequent occasions only one half of the allowance admissible under that paragraph.

Articles like refrigerators, airconditioners, typewriters, radiograms or record players, whether new or used, which fall within the prescribed value limit will be passed without a licence. Duty will, however, be charged if the value of an individual article exceeds above limits. Motor cycles and scooters can also be imported without an ITC licence if their value falls within the above value limits. Duty will, however, be charged on all motor vehicles including motor cycles and scooters irrespective of their value.

6. The values mentioned in paragraphs 4 and 5 above are the "real values" under the Sea Customs Act and not the market values in India. The real value will ordinarily be approximately equal to the retail price of the article abroad, provided it is the proper price and not a specially reduced one.

7. The allowances mentioned in paragraph 5 above will not automatically apply to children or to any passenger who is less than 18 years of age. Customs officers may, however, allow to such a child or juvenile passenger articles of the kind described in that paragraph, upto a maximum value of one fourth of the limit which applies to an adult passenger coming after the same period abroad. The other conditions laid down in paragraph 5 will continue to apply.

8. Articles which are free of duty as baggage do not require an import licence. Articles of the nature described in paragraph 5 above, which are charged to duty will also be exempted from import licence, provided the total value of all such articles, including those which are passed free of duty, does not exceed the prescribed value limit. In addition, passengers who have stayed out of India for 9 months or more, may be allowed to import on payment of duty, but without an import licence, articles of *bona fide* baggage upto an additional value of Rs. 800/-. Where the Customs authorities decide that the articles are not *bona fide* baggage or where the goods are in excess of the value limits, an import licence will be necessary. Import licences are not ordinarily issued in such cases, and therefore, passengers bringing such goods will render themselves liable to appropriate action for breach of the regulations.

9. Under the foreign Exchange Regulations, a passenger can not bring into India Indian currency.

APPENDIX 21—*contd.*

Foreign currency may be brought in without limit, but the passenger should make out a written declaration in a form which will be furnished by the Customs authorities. Since it is not possible to give in this notice full details of the rules applicable to the importation of currency passengers are requested to inform themselves in advance, by a reference to the Reserve Bank authorities, travel Agents, Tourist Officers or Indian Missions abroad, of the particular regulations applicable in their case.

Special Advice to Outgoing Passengers

Passenger going out of India and taking costly articles belonging to them such as cameras, binoculars, or type-writers etc. should declare such articles before the Customs Officer and obtain an 'export certificate'. No customs duty will be charged on these articles if they are brought back within 3 years, and their ownership has remained unchanged

Sd/- S. VENKATESAN,
Secretary,
Central Board of Revenue.

TOURIST BAGGAGE RULES

[CUSTOMS NOTIFICATION NO 225, DATED THE 3RD AUGUST 1958 PUBLISHED IN PART II, SECTION 3(ii) OF THE GAZETTE OF INDIA (EXTRAORDINARY), DATED THE 3RD AUGUST, 1958, AS AMENDED BY CUSTOMS NOTIFICATION NO. 22 OF 2ND FEBRUARY 1963, AND PUBLISHED IN THE GAZETTE OF INDIA ON 2ND FEBRUARY, 1963, AND NOTIFICATION NO. 114—CUSTOMS DATED THE 9TH JUNE, 1966]

CENTRAL BOARD OF REVENUE

In exercise of the powers conferred by section 75 of the Sea Customs Act, 1878 (8 of 1878) as in force in India, the Central Board of Revenue hereby makes the following rules for passing free of import duty baggage landed at Customs Sea Ports by tourists from foreign ports, namely:—

1. *Short title, commencement and application.*—(1) These rules may be called the Tourist Baggage Rules, 1958.

(2) They shall come into force on the 3rd August, 1958.

(3) These rules shall not apply to persons coming from Pakistan.

2. *Interpretation.*—For the purpose of these rules, the term 'tourist' means any person not normally resident in India, who enters India for a stay of not less than twenty-four hours and not more than six months in the course of any twelve months period, for legitimate non-immigrant purposes, such as touring, recreation, sports, health, family reasons, study, religious pilgrimages or business.

3. *Exemption from Customs Duty for personal effects imported temporarily.*—(1) Subject to the other conditions laid down in these

APPENDIX 21—*contd.*

rules, the personal effects imported by a tourist shall be allowed to be imported temporarily free of import duty, provided that they are for the personal use of the tourist, are carried on the person of or in the luggage accompanying the tourist, that there is no reason to fear abuse, and that these personal effects are re-exported by the tourist on his leaving India for a foreign destination.

Explanation.—The term "personal effects" means all clothing and other articles new or used which a tourist may personally and reasonably require, taking into account all the circumstances of his visit, but excluding all merchandise imported for commercial purposes, and includes—

(i) Personal jewellery;

(ii) one camera with twelve plates or five rolls of film;

(iii) one miniature cinematograph Camera with two reels of film;

(iv) one pair of binoculars;

(v) one portable musical instrument;

(vi) one portable gramophone with ten records;

(vii) one portable sound-recording apparatus;

(viii) one portable wireless receiving set;

(ix) one portable typewriter;

(x) one perambulator;

(xi) one tent and other camping equipment;

(xii) sports equipment such as one fishing out-fit, one sporting firearm with fifty cartridges, one non-powered bicycle, one canoe or kayak (not more than 5½ meters long, one pair of skis, two tennis rackets.

(2) Subject to all the conditions specified in sub-rule (1), such instruments, apparatus or appliances, as are specially designed for use in the profession of calling followed by the tourist and which any person following the same profession or calling would usually carry with him in his professional tour, may be allowed to be imported temporarily free of import duty leviable thereon.

NOTE.—The instruments, apparatus or appliances must have been actually used by the tourist before the importation thereof.

(3) Subject to the other conditions laid down in these rules, a tourist shall be allowed to import free of customs duty the following articles for his personal use, provided that these articles are carried on the person of or in the hand luggage accompanying the tourist, and there is no reason to fear abuse:—

(i) cigarettes 200, cigars 50, Tobacco 250 grammes;

(ii) one regular size bottle of wine and one quarter litre of spirits;

APPENDIX 21—*contd.*

(iii) one-quarter litre of toilet water, a small quantity of perfume, and medicines in reasonable quantities.

4. *Exemption from Customs Duty for travel souvenirs imported temporarily.*—In addition to the articles specified in rule 3, a tourist may also be allowed to import temporarily free of customs duty travel souvenirs for a total value not exceeding Rs. 800/- provided that such souvenirs are carried on the person of or in the luggage accompanying the tourist, they are not intended for commercial purposes, and they are re-exported by the tourist on his leaving India for a foreign destination.

5. *Undertaking to be given to Customs Authorities in certain cases.*—(1) Notwithstanding the provisions of rules 3 and 4, no article of a high value such as sound-recording apparatus, wireless receiving sets, and the like shall be passed free of customs duty unless the tourist gives an undertaking in writing to the Customs Collector to re-export it out of India on his leaving India for a foreign destination or, on his failure to so re-export to pay up the customs duty leviable thereon.

(2) Every tourist shall be given on arrival and after the examination of his baggage, a list of articles of high value brought by him signed by the Customs Officer who examines his baggage. If no such article of high value is imported, a nil list, similarly signed shall be given. Unless the list is produced by the tourist to the Customs Officer at the time of examination of his baggage on his departure from India for a foreign destination along with the articles, if any listed therein, his baggage may not be allowed clearance through the Customs for export.

6. *Provision regarding unaccompanied baggage.*—Notwithstanding anything to the contrary in the foregoing rules, *bona fide* baggage and goods eligible for the concessions under the foregoing provisions and landed at any Customs port within two months before or after the arrival of the tourist in India, may be passed subject to the condition applicable to baggage accompanying a tourist, provided the Customs Collector is satisfied that they could not be brought along with the tourist due to reasons entirely beyond his control.

7. *Refusal of exemption in certain case.*—Notwithstanding anything contained in these rules, the Customs Collector may refuse to a tourist exemptions granted by these rules in any of the following cases namely:—

(a) When the total quantity of a commodity ipmorted by a tourist exceeds substantially the limit laid down in these rules;

(b) where the tourist enters more than once a month.

(c) where the tourist is under 17 years of age.

APPENDIX 21—*concld.*

8. The Tourist Baggage Rules, 1957, and the rules published with the Central Board of Revenue Notification No. 31-Customs, dated the 30th August, 1930, as amended from time to time (for passing free of import duty baggage landed at Customs ports by passengers from foreign ports in Ceylon) in so far as these latter rules relate to matters covered by these rules, are hereby repealed except as respects things done or omitted to be done.

Sd./- M. A. RANGASWAMY,
Secretary, Central Board of Revenue.

No. 225/9/8/57-Cus. VI.

APPENDIX 22

(para 247 of Chapter XV)

(A)

Form of Bond for Clearance of Restricted Goods

Know all men by these presents that whereas the Collector of Customs..... hereinafter referred to as the 'said Collector' which expression shall include the person for the time being performing the duties of the Collector of Customs....., has permitted the clearance of the goods in the schedule hereunder written, We (1) ..... (importers) (2) ..... (surety) do hereby bind ourselves and each of us and each of our heirs, executors, administrators and legal representatives, jointly and severally with the President of India to pay to the said Collector for the time being the sum of Rs. .....subject to the conditions written herein below:—

Now the conditions of the above written bond are such that if the said (1).....(importers), their heirs and representatives shall deliver or cause to be delivered to the said Collector within one month from the date hereof the import licence referred to in the Schedule to cover the goods referred to in the schedule or if the said..... (importers), their heirs or representatives or any of them shall in lieu of the delivery of such licence upon demand by the said Collector pay or cause to be paid to him on behalf of the President of India the sum of Rs..... ., then the above written bond shall be void and of no effect, otherwise the bond will be and remain in full force and virtue, and it is hereby declared that:—

(a) Any forbearance on the part of the President or any other officer shall not in any way release the said surety, his heirs and representatives from his or their liability under the above written bond; and

(b) that this bond is entered into under the orders of the Central Government for the performance of the act in which the public are interested;

Schedule of goods cleared

No. date	Description of goods	Quantity	Country of origin	Port of shipment	Value of goods	Importers name	Licence No. dt
(1)	(Importers)			(2)			(Surety)

Signed, sealed and delivered by the above named in the presence of:

Witness.....

Accepted for and on behalf of
the President of India.
Assistant Collector of Customs.

APPENDIX 22—*concld.*

(B)

Form of Letter of Guarantee

In consideration of the Collector of Customs allowing us..... (importers) to clear the undermentioned goods without production of the original import licence mentioned below, we hereby undertake to produce within one month from this date the said original licence already granted to us by Government to cover *inter alia* the undermentioned goods imported by us being licence No. ..... date ..... which has been sent by us to the Chief Controller of Imports, New Delhi or Collector of Customs, Bombay, Calcutta, for ..... Revalidation clearance of other goods covered by the said licence.

Bill of entry No. & dt.	Description of goods	Supplier' name	Quantity	Country of origin	Port of Shipment & date	Value of goods

In the event of our failure to produce the original licence within the period specified above or within such extended time as the Collector of Customs ..... may in his absolute discretion allow (and in this respect time shall be the essence of arrangement). We ..... (importers) hereby agree to pay to the President of India the sum of Rs. .....whenever called upon to do so together with such penalty as may be imposed on us by the Customs authorities in respect of the abovementioned goods. And We,..... (surety) guarantee to the President of India due payment of the said sum of Rs. ..... and the said penalty so to be imposed as aforesaid. And is agreed and declared that:

(a) Any forbearance or indulgence to the importer on the part of the President of India or any officer of Government shall not in any way release the said ..... (surety) their heirs, or successors or legal representatives from their liability under this agreement; and

(b) This agreement is entered into under the order of the Central Government for the performance of an act in which the Public are interested

Signature of Importer.. ....

Dated

Signature of Surety.....

Accepted for and on behalf of the President of India

Assistant Collector of Customs.

APPENDIX 23

(para 256 of Chapter XVI)

Copy of Ministry of Commerce Public Notice No. 60-ITC (PN)/50 dt. 21-7-1950

SUBJECT:—*Clearance of merchandise financed by Exchange Banks in India in the event of licence holders not having honoured the bills drawn under confirmed letters of credit.*

It has been represented by certain Bank Associations that in the event of a negotiation under a confirmed irrevocable letter of credit being dishonoured by the drawee the bank has to implement its undertaking under the credit to remit the foreign exchange in payment, but in the absence of a valid import licence made out in its own name, it is unable to clear the goods from the Customs.

2. In order to avoid this difficulty it has been decided that all licences will hereafter be issued subject to the following condition which will be endorsed on the licence:—

> "It is a condition of this licence that where an irrevocable letter of credit is opened by the holder of the licence to finance the import of any goods covered thereby, then the authorised dealer in foreign exchange through whom the credit is opened shall be deemed to be a joint holder of this licence to the extent of the goods covered by the credit."

3. The effect of this endorsement will be that where letters of credit have been opened against a valid import licence and on arrival of the goods, the licence holder does not honour the bills drawn against the letter of credit and does not produce the licence for the clearance of the goods, the Bank which has opened the letter of credit will nevertheless be able to clear the goods through the customs and remit foreign exchange to the foreign suppliers in whose favour the credit was opened, by debit to the licence in question.

4. In this respect the following procedure will be observed with immediate effect:—

(i) The Banks clearing the goods in such cases will provide the Customs with certificates to the effect that the import has been made and that foreign currency has been remitted by the Bank or its agents under the authority of a valid import licence and a confirmed irrevocable letter of credit.

(ii) They will also produce the exchange control copy of the licence, or if this is not available, they will furnish full particulars of the licence and of the licensee.

APPENDIX 23—*concld.*

(iii) At the time of clearance, the value of the goods will be debited to the licensee concerned in the licence Register maintained by the Custom House with an indication that clearance has been effected by the Bank. If and when the Customs copy of the import licence is produced subsequently by the original licensee, the fact that some of the goods falling under the licence have already been cleared will become immediately apparent and the Customs House will then endorse the necessary debit on the licence itself.

(iv) To ensure that the Customs copy of the Import Licence is not utilised at some other port, intimation of such clearances by banks will be sent by the Customs to all other ports giving the balance for which the licence is valid.

APPENDIX 24

(para 270 of Chapter XVI)

Interview Slip..... *Serial No*.....

1. Name and address of the applicant. .....
2. Name of representative with designation and his connection with the firm. .....
3. Officer to be interviewed. .....
4. Date of desired interview. .....
5. Number and date of:— .....
   (a) Application. .....
   (b) Acknowledgement, and .....
   (c) any subsequent communication received and replied. .....
6. (a) Category of application. .....
   (b) Brief description of goods. .....
   (c) Part and Serial No. of I.T.C. .....
   (d) C.I.F. value .....
   (e) Industry to which application pertains .....
7. No. and date under which the application is forwarded/recommended by any other authority. .....
8. Brief resume of points for discussion (use reverse of form, if necessary). .....
9. Whether any officer was interviewed for this case or position obtained? If so, when? .....
   Interview timings .....

Signature and status of the representative

Residential Address.....

Telephone No.....

Remarks of the Enquiry Officer:

.....

.....

.....

APPENDIX 24—*concld.*

N.B.—Separate form should be used for each application.

COUNTERFOIL

S. No...... *Date-stamp*

1. Name of applicant .....
2. Name of the representative .....
3. Officer to be interviewed .....
4. Date and time of interview .....

Signature of Enquiry Officer.

APPENDIX 25

(vide paras 49 and 64 of Chapter III)

Intimation to licensing authority about the change in the ownership/constitution of an established importer's business

1. Name of the business.
2. Address.
3. Names of branches, if any, with their address.
4. Nature of change in the ownership/constitution of the business.
5. Date from which the change has taken place.
6. (a) Original ownership, whether
   (i) Individual.
   (ii) Partnership.
   (iii) Karta of Undivided Hindu Family.
   (iv) Limited company.
   (v) Any other association or body of individuals.

6. (b) Names of individuals in the case of (i), (iii) and (v) above, names of partners in the case of (ii) above and names of Directors in the case of (iv) above.

7. (a) New ownership, whether.
   (i) Individual.
   (ii) Partnership.
   (iii) Karta of Undivided Hindu Family.
   (iv) Limited Company.
   (v) Any other association or body of individuals.

7. (b) Names of individuals in the case of (i), (iii) and (v) above, names of partners in the case of (ii) above and names of Directors in the case of (iv) above.

DECLARATION

I/We do hereby declare that there has been a change in the ownership/constitution of the business carried on in the name of M/s..... as stated above. There is no change in the name of the business. I/We, being the new owner/re-constituted concern, have acquired the quota of the original concern as a whole. Our case is fully covered by paragraph 50 of the import Trade Control Hand Book of Rules and Procedure 1967 which we have carefully read.

I/We also declare that I/We have selected common basic year for the calculation of quotas in respect of the same or similar items in accordance with paragraph 59 of the Import Trade Control Hand Book of Rules and Procedure, 1967.

I/We hereby declare that the above statements are true and correct to the best of my/our knowledge and belief and I/We fully understand that any licence claimed or granted to me/us on the basis of the above statements is liable to cancellation, in addition to any other penalty that the Government may impose, or any other action that may be taken having regard to the circumstances of the cases, if it is found that any of the statements or facts therein are incorrect or false.

Signature.
Name in block letters.
Full address.

Note (1) This declaration should be signed by a person who is duly authorised to sign a declaration on behalf of the new owner or the re-constituted concern, as the case may be. The person signing the declaration should clearly state the position held by him in the business.

(2) The declaration should be attested by a Notary public.

APPENDIX 28
(Para 70 of Chapter IV)

List of Priority Industries

Industries engaged in the manufacture of:—

1. Motorcycles.
2. Scootres.
3. Bicycles and Bicycle Parts.
4. Mopeds.
5. Agricultural Tractors.
6. Agricultural machinery and implements.
7. Pumps.
8. Fertilizers.
9. Pesticides.
10. Basic metal-iron and steel, copper, aluminium Zinc and lead.
11. Industrial and mining machinery.
12. Iron and Steel castings, pipes and structures.
13. Internal Combustion Engines.
14. Machine tools and accessories.
15. Workshop machinery and equipment other than machinery tools.
16. Small tools including cutting tools, power tools and other workshop tools.
17. Coated and bonded abrasives and polishing wheels.
18. Industrial furnaces.
19. Ball and roller bearings.
20. Welding electrodes.
21. Transformers, switchgears, motors, generators, power capacitors rectifiers, relays and electric stampings.
22. Electrical cables and wires.
23. Storage batteries, dry batteries.
24. Electronic components.
25. Construction and earth moving equipment.
26. Cranes and hoist blocks.
27. Industrial fastners.
28. Wires ropes.
29. Scientific and industrial instruments.
30. Cement.

31. Organic and inorganic heavy chemicals including lead oxides. While Lead, Zinc oxide and Titanium Dioxide.
32. Fine chemicals.
33. Pulp, paper and newsprint.
34. Synthetic rubber.
35. Tyres and tubes.
36. Industrial explosives.
37. Industrial gases
38. Drugs.
39. Medical and surgical equipment and appliances.
40. Electro-medical and X-Ray equipment.
41. Refactories, fire bricks and insulators.
42. Commercial vehicles including jeeps and three wheelers.
43. Automobile ancillaries.
44. Trawlers, dredgers and fishing boats.
45. Leather and leather goods.
46. Optical and laboratory glass and glass wool.
47. Jute textiles.
48. Tea.
49. Coffee.
50. Canned and preserved fish
51. Sanitary cans.
52. Paints and varnishes and enamels.
53. Man-made fibres.
54. Matches.
55. Telecommunication equipment.
56. Wagons.
57. Industrial refrigeration equipment.
58. Sugar.
59. Cotton textiles.

APPENDIX 27

(Vide para 70(3)(b) in Chapter IV)

List of IDA industries

A. *Materials Components, and Spare Parts for industries manufacturing—*

1. Commercial vehicles for Civilian market.
2. Agricultural tractors.
3. Automotive components.
4. Machine tools and accessories.
5. Cutting and Small tools.
6. Electrical equipment.
7. Cables and wires.
8. Industrial and mining machinery.
9. Ball and roller bearings.
10. Fertilizers and pesticides.
11. Basic non-ferrous metals.

B. *Balancing Equipment for the Manufacture of Products Listed under (A) above.*

APPENDIX 28

List of Registering Authorities

S.No.	Export product	Registering Authority
1	a. Engineering goods b. Stainless steel products c. Ship Repairers	Engineering Export promotion Council, Calcutta, and its regional offices at Bombay Madras and New Delhi.
2	a. Chemicals b. Drugs, pharmaceuticals c. Glass and Glassware. d. Ceramics. e. Rubber products including tyres and tubes.	Chemicals and Allied Products Export promotion Coucil Calcutta. Basic Chemicals, Soaps and pharmaceuticals Export promotion Coucil, Bombay. Regional office of the Chemicals and Allied Export promotion Council, Madras.
3	Paper and paper products including books journals, periodicals.	
4	Plastics.	Plastics and Linolium Export Promtion Council, Bombay, and its regional offices at Calcutta and Madras.
5	Fish and Fish products.	Marine Products Export Promotion Council, Ernakulam.
6	Leather and leather goods.	Leather Export Promotion Council, Madras or Finished Leather and Leather- Manufacturers Export Promotion Council, Kanpur depending upton the export product,
7	Handicrafts.	All India Handicrafts Board, New Delhi
8	Sports goods.	Sports Goods Export Promotion Council New Delhi.
9	Woollen carpets, rugs and druggests.	All India Handicrafts Board New Delhi
10	Woollen textiles and hosiery etc., and mixed fabrics and ready made garments made thereof.	Wool and Woollens Export Promotion Council, Bombay,
11	Unmanufactured tobacco, cigarettes and bidis.	Tobacco Export Promotion Council Madras.
12	Coir Products.	Coir Board, Ernakulam.
13	(a) Curry powder and paste. (b) Processed Foods	Sprices E.P. Council Ernakulam Processed Foods Export promotion Council, New Delhi.
14	Cotton Textiles and ready made garments made thereof.	Cotton Textiles Export promotion Council, Bombay.
15	Cashew Karnals.	Cashew Export promotion Council, Ernakulam.
16	Gem and Jewellery items.	Gem and Jewellery Export Promotion Council, D-15, Commerce Centre, Tardeo, Bombay-34.
17	Cinematograph Films (exposed) a. Feature Films, documentaries, advertising films. b. News films and T.V. films.	E.P. Authorities at Bombay, Calcutta, and Madras. E.P. Authorities at Bombay Calcutta, Madras & CLA.

APPENDIX 20

(Para 106 of Chapter V)

NOMINATION from

I/We———————————————

DATED———————

(Name of the registered exporter)

do hereby nominate———————————————

(Name(s) of the nominee(s))

to the extent of———————————————

(F.O.B. value in rupees)

respectively for claiming the import licence(s) against my/our exports of———————————————

(Name of the goods exported)

of the f.o.b. value of Rs.———————(in words)———————

covered by the shipping documents detailed below:

Details of the Shipping Documents (indicating the date of shipment as per Bill of Lading for each shipment)

2. The exports in respect of which nomination is made, have neither been utilized nor are intended to be utilised for claiming any import licence by way of barter or for remittances against capital goods or in the discharge of any export obligation or for obtaining import licence under any other category.

3. I/We have not nominated any other person to claim the benefit of the f.o.b. value of exports to the extent covered by this nomination.

4. The nominee(s) is/are an actual user(s) engaged in the manufacture of 1 2

(Name of the goods)

Signature of the Registered Exporters———————————————

(Name in Block Letters)

Position held in the exporter's concern———————————————

Registration No.———————————————

Registration authority———————————————

APPENDIX 30

(Vide para 109 of chapter V)

Names of licensing authorities with their jurisdiction.

Name of the licensing authority	Jurisdiction
1. Joint Chief Controller of Imports & Exports Bombay.	The States of Madhya Pradesh, Maharashtra and Gujarat.
2. Joint Chief Controller of Imports & Exports, Calcutta.	The States of Assam, Bihar, Orissa, West Bengal. Manipur, Tripura, NEFA Andaman & Nicobar Islands.
3. Joint Chief Controller of Imports & Exports, Madras.	The States of Madras, Mysore (excluding Mangalore District), and Andhra Pradesh, Pondicherry, Karikal, Mahe and Yanam.
4. Joint Chief Controller of Imports & Exports, Central Licensing Area, New Delhi.	Rajasthan, Punjab, Delhi, Haryana, Himachal Pradesh, the State of Jammu and Kashmir.
5. Dy. Chief Controller of Imports & Exports, Panjim, Goa.	Goa, Daman and Diu and Dadra and Nagar Haveli.
6. Dy. Chief Controller of Imports & Exports, Ernakulam.	Kerala, Mangalore District of Mysore and Lacadive, Minicoy and Amindivi Islands.
7. Dy. Chief Controller of Imports & Exports, Kanpur.	The State of U.P.

APPENDIX 31

(Reference para 230 of Chapter XIII)

Import of built-up cars, station wagons, jeeps, motor cycles, scooters auto cycles, mini cars, mopeds.

Indian nationals returning to India for permanent settlement.

1. Applications for the grant of Customs Clearance Permits are considered from Indian nationals returning to India for permanent settlement in this country, provided they fulfil the following conditions:—

(i) The period of continuous stay of the applicant abroad is not less than one year.

(ii) The car etc sought to be imported has been in possession and use of the applicant for a period of not less than 3 months prior to his departure for India.

(iii) The car etc to be imported has been purchased by the applicant out of his own earnings abroad.

(iv) The applicant has not drawn any foreign exchane from India for a period of two years preceding the date of his departure for India.

2. Applications for Customs Clearance Permits should be made to the Chief Controller of Imports & Exports, New Delhi in the application form given in Annexure I. It should be supported by the necessary documentary evidence and a treasury challan for Rs. 50/- towards application fees on the value applied for. The applicant should produce the following documents:—

(i) An affidavit duly counter-signed by a representative of the Government of India or Indian Embassy or India's High Commission abroad or a certificate issued by any of these authorities to show that the applicant is returning to India for permanent settlement. In the case of persons returning from the United Kingdom, an affidavit duly counter-signed by a Notary Public will also be accepted.

(ii) Photostat copies of the purchase invoice and the registration certificate of the car etc to be imported.

(iii) Statement of earnings abroad duly certified by the employer(s) or tax returns.

3. *Conditions applicable to Customs Clearance Permits.*

(1) The Customs Clearance Permits issued in terms of these provisions will be subject to the following conditions *inter alia*:—

(i) The licensee shall not sell, pledge, mortgage, hypothecate or part with possession of the car except with the prior permission of the licensing authority in writing. The sale, if permitted, shall be effected by the licensee to such person or agency, within such time, at such price, and in such manner as may be specified by the licensing authority.

NOTE.—In case of motor cycles, scooters, auto cycles and moped, the period of "no sale" will be five years from the date of importation into India.

(ii) The licensee shall produce evidence to show that the car etc. is in his possession and ownership, whenever such evidence is demanded by the Chief Controller of Imports & Exports or any other licensing authority.

(iii) At the time of clearance of the car etc. the licensee shall execute a bond with the Joint/Deputy Chief Controller Imports & Exports at the port of imporation, in the form prescribed by the licensing authority, undertaking to fulfill the conditions imposed on the C.C.P. The bond shall be supported by a guarantee of a scheduled bank or an insurance company for an amount equal to the c.i.f. value of the car etc. The bond shall be valid for a period of five years initially and the licensee shall undertake to get it renewed for such further period as the licensing authority may require.

(2) The bond for the fulfilment of the conditions imposed on the CCP should be executed by the licensee in the form given in Annexure II.

Foreign Nationals coming to India for an assignment for a minimum period of one year.

4. Applications for the grant of Customs Clearance Permits are considered from foreign nationals coming to India for taking up an assignment for a minimum period of one year, provided the car etc sought to be imported has been in the ownership and use of the applicant, or his wife, or her husband, as the case may be, prior to his/her departure for India. In either case, however, if the import is allowed, the car etc on its arrival in India, will have to be registered in the name of the applicant.

5 (i) Applications for the grant of Customs Clearance Permits should be made to the Chief Controller of Imports & Exports, New Delhi, through the employer in India with whom the applicant is taking up an assignment. The application should be made in the form given in Annexure III. It should be supported by photostat copies of the purchase invoice and the registration certificate pertaining to the car etc to be imported and a treasury challan for Rs. 50/- towards application fees on the value applied for. While forwarding the application to the Chief Controller of imports & Exports, New Delhi, the employer concerned should append a certificate indicating the particulars and the period of assignment offered to the applicant in India.

5. (ii) In the case of accredited journalists or correspondents, the applications for Customs Clearance Permits should be made direct to the Chief Controller of Imports & Exports. New Delhi, and it should also be supported by a letter, in original from their principals to the effect that the applicant is their accredited correspondent.

6. *Conditions applicable to C.C.Ps*—

(1) The Customs Clearance Permits issued to foreign nationals under these provisions will be subject to the following conditions *inter alia*:—

(i) The car etc. shall be re-exported when the importer leaves India or when it is no longer required. While in India,

the importer shall not sell, pledge, mortgage, hypothecate or part with the possession of the car without the prior permission of the licensing authority in writing.

(ii) The importer shall produce evidence to show that the car is in his possession and ownership, whenever such evidence is demanded by the Chief Controller of Imports & Exports, New Delhi or any other licensing authority.

(iii) At the time of clearance of the car etc., the licensee shall execute a bond with the Joint/Deputy Chief Controller of Imports & Exports at the port of imporation, in the form prescribed by the licensing authority, undertaking to fulfil the conditions imposed on the C.C.P. The bond shall be supported by a guarantee of a scheduled bank or an insurance company for an amount equal to the c.i.f. value of the car etc. The bond shall be valid for a period of five years initially and the licensee shall undertake to get it renewed for such further period as the licensing authority may require.

(iv) Notwithstanding what has been stated in (i) above the licensee will also have the option to sell the car etc in India to another foreign national, provided (a) the buyer is eligible to the import of a car etc under these provisions, (b) the price of the car etc is paid by the buyer from his personal funds abroad without in any way, involving remittance of foreign exchange from India and (c) the buyer undertakes to abide by the same condition subject to which the import has been allowed. The buyer shall be required to execute a bond undertaking to fill the conditions with the same licensing authority and in the same manner as the bond executed by the original importer. The bond should also be counter-signed by the employer with whom the buyer is employed. (This facility of transfer will also be available to the first transferee and subsequent transferees, and the concerned port licensing authorities may directy be approached for this purpose.)

(2) The bond for the fulfilment of the conditions imposed on the Customs Clearance Permit should be executed in the form given in Annexure II.

(3) In the case of foreign expert coming to India under various Aid Programmes, the applicant will be required to give an undertaking for the fulfilment of conditions of the C.C.P., in lieu of the bond referred to above. The undertaking should be duly countersigned by a Diplomatic or Trade Representative in India of the foreign country concerned.

(4) In the case of non-diplomatic and home-based staff of foreign Diplomatic/Consular/Trade Missions in India also, the applicant should give an undertaking for the fulfilment of the conditions of the C.C.P., in lieu of the bond referred to above. The undertaking should be duly guaranteed by the Head of the Mission concerned

Banks, Companies and Institutions incorporated abroad.

7. Applications for the grant of customs clearance permits for the import of built-up cars or station-wagons are considered from Banks, Companies or Institutions incorporated abroad and operating through Branches in India, provided the applicant pays the customs duty leviable thereon in foreign exchange. Applications will ordinarily be considered for the import of one car or station-wagon only, or at the most for two depending upon the number of the Branches. A relaxation may, however, be made in the case of Airway Companies in consultation with the Department of Civil Aviation, Government of India, New Delhi.

8. Applications for customs clearance permits in such cases should be made to the Chief Controller of Imports & Exports, New Delhi, in the form given in Annexure IV. It should be supported by necessary documentary evidence and a Treasury Challan for Rs. 50/- towards the payment of application fees on the value applied for. If the application is for the import of more than one car or station-wagon and the value applied for exceeds Rs. 50,000/-, the amount of application fee should be, in accordance with the prescribed schedule of fees. The applicant should produce the following documentry evidence:—

(i) Photostat copy of the purchase invoice pertaining to the car etc. sought to be imported; and

(ii) A letter from the Principal abroad to the eflect that the car etc will be or has been paid for from the Principal's own resources abroad and will not involve any remittance from India and that the customs duty in respect of the car etc. to be imported will be paid in foreign exchange.

9. *Conditions applicable to C.C.Ps.*—The conditions applicable to the C.C.Ps. issued to foreign nationals, as stated in sub-paragraph 6(1) will also be applicable to the C.C.Ps. issued to banks or companies or institutions under these provisions.

10. Cases not covered by the above provisions will be dealt with in accordance with the rules and regulations in force from time to time.

ANNEXURE—I to APPENDIX 31

Application form for an Import Trade Control Licence to Import a Built-up Car, Station Wagon, Jeep, Mini Car or Motor Cycle Scooter, Auto Cycle by an *Indian National* returning to India for permanent settlement.

1. Name of the applicant.
2. Nationality.
3. Designation;
4. Full address abroad
5. Full address in India.
6. Purpose of visit abroad.
7. Duration of stay abroad.
8. Proposed date of leaving for India and arrival in India.
9. Likely period of stay in India.
10. Make and model of the vehicle with c.i.f value.
11. Date of purchase.
    (In the case of vehicles acquired on hire purchase, the date of final acquisition of the vehicle.)
12. Date of registration and period of ownership and use.
13. Manner in which foreign exchange was found for purchase of vehicle.
14. Foreign exchange taken drawn under permission from Reserve Bank of India with actual date of drawal for purchase of car or otherwise.

    (a) Basic quota:—

    (b) Special quota:—

15. Total amount of foreign exchange remitted to India, if any, with details.
16. Purpose for which the car was needed abroad and is needed in India.
17. Whether applicant his wife/husband or dependents has already imported a car etc. into India during preceding five years. If so, give particulars of the car etc., and import licence number and date.

18. Whether an application for import of car etc., was made previously and if so, with what result? C.C.I. & E's REFERENCE should be quoted.

19. Whether a treasury receipt for the requisite amount as application fee is enclosed? Indicate amount.

20. Proposed date of shipment of car and the date of disembarkation.

21. Documents to be enclosed to the application.

(a) Photo-stat copy of the purchase invoice.

(b) Photo-stat copy of the registration certificate.

(c) Statement of earnings abroad duly certified by the employers or bankers.

(d) Bankers certificate of repatriation of foreign exchange from abroad, if any.

(e) An affidavit about returning to India for permanent settlement duly counter-signed by a High Commission of India or a Notary Public.

(f) A treasury receipt for the requisite amount.

I/We hereby declare that the above statements are correct. I/We fully understand that any licence granted to me/us on the basis of the statements furnished is liable to cancellation without prejudice to any other action that may be taken under the law, if it is found that any of the statements or part thereof is incorrect.

Place & Date.

(Signature)

ANNEXURE—II TO APPENDIX 31

SPECIMEN BOND FORM TO BE EXECUTED BY IMPORTERS OF CARS ETC. AS PERSONAL BAGGAGE.

KNOW ALL MEN BY THESE PRESENTS that We (1) .... of ..... (hereinafter called the importer' which expression shall where the context so admits include his/ their/respective heirs, executors, administrators and legal representatives successors and permitted assigns) and (2)..... of ..... (hereinafter called 'th surety' which expression shall where the context so admits include his/their respective heirs, executors, administrators and legal representatives/successors and permitted assigns) are held and firmly bound jointly and severally unto the President of India to pay to the President of India through the Joint/Deputy Chief Controller of Imports and Exports..... for the time being on demand and without demur the sum of Rs. ..... for which payment will and truly to be made we bind ourselves firmly by these presents.

Dated this the ..... day of ...., 196 . Whereas the Joint/Deputy Chief Controller of Imports & Exports, Government of India, ... (hereinafter referred to as the said Joint/Dy. Chief Controller of Imports & Exports which expression shall include the person for the time being performing the duties of the Joint/Dy. Chief Controller of Imports & Exports..... .....) has permitted clearance of ..... more fully described in the Schedule hereunder written imported in India by the importer.

Now the conditions of the above written bond are such that: —

1. If the said importer re-exports the said car at the time of his departure from the country.

and

2. If the said importer shall not sell, pledge, mortgage, hypothecate or part with the possession of the said car or otherwise dispose of the car,

then the above written bond shall be void and of no effect otherwise the same shall be and remain in full force and virtue. And it is hereby fully agreed and declared between the parties as follows: —

(a) That the above written bond shall remain in full force and effect for a period of ..... years from the date of importation of the said.....and shall be deemed to be renewed for such further period as the Joint/Dy. Chief Controller of Imports & Exports may require before the expiry of the said period;

(b) Any forbearance act or omission on the part of the President of India to enforce the bond against the importer (whether with or without the knowledge or consent of the surety) shall not in any way release the said surety from his liability under the above written bond;

(c) That this bond is entered into under the orders of the Central Government for the performance of an act in which the public are interested:

(d) The importer shall produce evidence that the car is in his possession and ownership whenever demanded by the Chief Controller of Imports and Exports or any licensing authority; and

(e) any breach of terms and conditions of this bond will render the importer liable to penalties as provided under the Import Trade Control Regulations over and above his liability for payment of the amount of the bond.

SCHEDULE OF GOODS FOR CLEARANCE

AS WITNESS THE hands of parties the .....

day of ..... ,196 .

Signed by the above named
importer in the presence
of .....

Signed by the above named
surety in the presence
of .....

Accepted by .....
for and on behalf of the
President of India.

ANNEXURE III TO APPENDIX 31

Application form for an Import Trade Control Licence to Import a Built-up Car, Station Wagon, Jeep, Mini Car or Motor Cycle, Scooter, Auto Cycle by a *Foreign National* coming from Abroad.

1. Name of the applicant.
2. Nationality.
3. Designation.
4. Full address abroad.
5. Purpose of visit abroad.
6. Duration of stay abroad.
7. Full address in India.
8. Make and model of vehicle with c.i.f. value.
9. Date of purchase and date of registration in the name of the applicant.
10. Period of ownership and use.
11. Manner in which foreign exchange was found for purchase of the vehicle.
12. Likely period of stay in India.
13. Full particulars of the purpose of stay in India and period of assignment in India.
14. Purpose for which the car is needed in India.
15. Whether the applicant/his wife/husband or dependents has already imported a vehicle into India during preceding five years. If so give particulars of cars etc and import licence No. & date.
16. Whether an application for import of car etc. was made previously and if so, with what result? C.C.I. & E's reference should be quoted.
17. Proposed date of leaving for India and arrival
18. Proposed date of shipment of vehicle and the port of dis-embarkation.
19. Whether a treasury receipt for the requisite amount as application fee is enclosed? Indicate amount.
20. Documents to be enclosed to the application:
    (a) Photo-stat copy of the purchase Invoice.
    (b) Photo-stat copy of the registration certificate.

(c) A cerificate from the employer in India giving particulars and period of assignment in India

(d) A treasury receipt for the requisite amount.

I/We hereby declare that the above statements are correct.

I/We fully understand that any licence granted to me/us on the basis of the statements furnished is liable to cancellation without prejudice to any other action that may be taken under the law, if it is found that any of the statements or part thereof is incorrect.

Place:

Date:

(Signature)

ANNEXURE IV TO APPENDIX 31

APPLICATION FORM FOR IMPORT OF CARS BY

1. Companies which are wholly foreign corporate entities and are operating through branches in India.
2. Foreign banks.
3. Institutions of foreign origin, wholly financed in foreign exchange.
4. Whole time Resident Representatives of category (1).
5. Correspondents of foreign newspapers or newsagencies getting key in foreign exchange.

1. Name of the applicant.
   (a) Nationality. (Applicable for Categories 4 & 5 only)
   (b) Designation.
2. Full address abroad.
3. Full address in India.
4. Nature of business.
5. Make and model of vehicle with c.i.f. value.
6. Manner in which foreign exchange was found for purchase of vehicle.

7. Purpose for which the car is needed.

8. No. of foreign technicians and number who are in possession of either foreign car imported or transfered in their name or indigenous cars secured on priority allotment. (applicable to categories 1 to 3 only.)

9. Details of import of cars, if any, imported during the last five years, including vehicles imported by branches, in the case of foreign banks/foreign companies/foreign institutions.

10. Proposed date of shipment of car and the port of clearance.

11. Whether an application for import of car was made previously and if so, with what result? C.C.I. & E's reference should be quoted.

12. Documents to be enclosed:—

(a) Principal's/employer's letter offering to provide the import and make payment of duty in foreign exchange.

(b) 'No Objection' certificate from the Reserve Bank of India.

(c) Photo-stat copy of the purchase invoice.

(d) A treasury receipt for the requisite amount.

I/We hereby declare that the above statements are correct I/We fully understand that any licence granted to me/us on the basis of the statements furnished is liable to cancellation without prejudice to any other action that may be taken under the law, if it is found that any of the statements or part therein is incorrect.

Place.

(Signature)

Date:]

APPENDIX 32

Special General Licences No. 1

Government of India, Ministry of Commerce

Import Trade Control Order No. 7/67 dated the 1st May, 1967.

In exercise of the powers conferred by Section 3 of the Imports and Exports (Control) Act, 1947, (18 of 1947), the Central Government hereby gives general permission to all persons to import into India from the United States of America the goods of the description specified in the Schedule annexed hereto, provided that:

(i) such goods are of U. S. sources only;

(ii) such goods are shipped on through consignment to India on or before the 31st March 1968 without any grace period whatsoever;

(iii) nothing in this licence shall affect the application to any goods, of any prohibition or regulation affecting the import thereof, in force at the time when such goods are imported

2. The imports made under this Special General Licence shall be subject to the conditions applicable to U.S. Aid to be announced separately.

APPENDIX 32—concld.

Schedule annexed to Special General Licence No. 1

List of spare parts allowed for import from U.S.A. subject to U.S. Aid conditions.

S. No. & Parts of the ITC Schedule.	Description
36(5)/II.	Spare parts of mining and quarry machinery and spare parts of machinery required for Electric Supply Undertakings.
293, 295 & 297/IV.	**Spare parts of Motor Vehicles:**—The following items of spare parts of motor vehicles will not be permitted: (i) Distributor assembly and parts thereof. (ii) Carburettor kits. (iii) Items covered by Lists I, II and III of Appendix 26.
65(5)(ii)/V.	Spare parts of refrigeration and air conditioning machinery other than domestic refrigerators.
65(5) (ii) (a) /V.	Spare parts of earth-moving machinery and spare parts of construction machinery.
65(5) (iii)/V.	Spare parts of irrigation machinery, spare parts of conveying machinery and spare parts of machinery when required for industries and undertakings other than cinema and refrigeration and also other than spare parts of machinery falling under Sl. No. 65(1-4)(vii)(a) and (b) of Part V.
74(iii)/V.	Spare parts for agricultural tractors and for tractor drawn agricultural implements excluding undercarriage parts for crawler tractors.
PART VI.	Spare parts of Machine Tools. Note:—Spare parts listed in this schedule shall not be allowed to be imported if (i) such spare parts are banned to Established Importers or (ii) their import is restricted i.e. which are allowed to be imported by Established Importers upto specified face value restrictions, in terms of the Import Trade Control policy in force at the time of Import.

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